DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

Jan. 2, 1936.

The foreign news, as well as the strength in Liverpool futures, is certainly very impressive. The Liverpool market advanced from 1 7/8¢ to 2 1/8¢ per bushel. They report an active demand for the cash wheat, and a further lowering of the Argentine crop estimates. There were no shipments this week from the Balkan states, and Russia cleared only 560,000 bu. Our market is in such a position now that it almost has to follow blindly the foreign trend; and it is, therefore, well to analyze their situation.

Any advance abroad sooner or later will have a corresponding effect on Winnipeg, and as cash prices there are raised the imported wheat will be equally more expensive. So far Canada has only followed reluctantly the European advances as she is very anxious to dispose of larger quantities before she can become independent; but as she has only one competitor left worth while talking about: namely, Australia, it is quite apparent that she is in a very enviable position for marketing increasingly large quantities.

The trader, therefore, has to reason out for himself whether the rise in prices abroad is justified, and whether or not it is likely to continue. In coming to a satisfactory conclusion it is safe to assume that the actual stocks of wheat in Europe are very small, and no pressure is in sight from heavier farmers' deliveries. The bulk of the home-grown crops has been moved by this time, and the consumer must rely very largely upon importations. Australia has marketed fair quantities so far, and also has sold a great deal which has not yet shown up in clearances, so we expect heavier world shipments in the immediate future. Finally, however, Canada will furnish the biggest proportion of what is needed, and if the United States should raise a normal crop so that after July 1st we might too become a contributor, no great scarcity should develop.

Here in the United States a small primary movement continues-- being only 491,000 bu versus 422,000 bu for two days last week. The milling demand is somewhat improved, but stocks so far this week at Kansas City, Duluth and Minneapolis show a decrease of only 91,000 bu.

For the week ending December 21st, importations on which duty was paid amounted to only 485,000 bu. However, as the Northwestern spring wheat markets lately have gained considerably more than the Winnipeg market we look for heavier importations than those right along.

It appears as if the visible supply would show only a small decrease for the week, while last year it decreased 3,442,000 bu; and it remains a question with us whether at the end of the season the visible supply might not be as large or larger than it was a year ago. If we assume, as most statisticians do, that our carryover will be about 150 million bu, the question naturally arises: In what position and where will this quantity finally be located? It certainly will not be among the farmers, who have already sold an extraordinarily large percentage of their crop, and do not seem to be in a holding mood. It is not likely that millers will be inclined to carry anything above what is absolutely necessary with the July wheat selling at such big discounts, and when they can probably obtain supplies nearer home when the new crop starts. Should these surmises prove to be correct, a larger proportion of wheat than usual might be located at terminal points, Chicago included.

We, therefore, feel that the difference between May and July wheat is fully wide enough, and later on might narrow considerably. When we also consider that our July wheat is now selling at about 5¢ discount under the Liverpool July, there might be many points, particularly the Pacific coast, from where next year wheat might be exported. Therefore, should we have an exportable surplus next year, this prospect will lend additional strength to new crop futures.

At the close our wheat market showed an advance of 5/8¢ per bushel.

Corn receipts continue to be extremely disappointing, and the basis for cash corn is improving. This cereal might do considerably better until an increased movement takes place.

Oats and rye remained neglected, with very small fluctuations.

UHLMANN GRAIN CO.

30 March 1983

DAILY MARKET LETTER

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NEW YORK COFFEE AND SUGAR EX.
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

January 3, 1936

Liverpool futures, after advancing steadily for some time, showed a great reaction today, declining from 1 7/8 to 2 cents per bushel. However, we consider the foreign situation as fundamentally sound. Burdensome stocks, which had been carried for years by several countries, including France, have been reduced to either normal or subnormal proportions. The amount on passage is very light. With the exception of Australia, which country has fair quantities of wheat to sell during the next two or three months, Europe cannot count, with any certainty, on any other large exporter during the next twelve months, outside of Canada. The next crops in the Southern Hemisphere will not come into competition until twelve months hence. The United States will remain a doubtful factor as an exporter until the results of the coming crop are known. Should the crop be normal, we shall be able to spare some wheat for export; should there be a bumper one, then of course a different view would have to be taken regarding the price level. In the meantime, undoubtedly there will be many crop scares, although at the present time moisture conditions in many parts of the winter wheat belt are highly satisfactory, and a repetition of last year's disaster is most unlikely.

Canada will be the one great reservoir for supplies for the importing nations. No doubt she will have the opportunity of reducing her still burdensome stocks to more moderate proportions and then after July much will depend upon whether she will raise more or less than during the past season. She certainly is due to produce larger yields than during the past few seasons for poor crops are generally as scarce as the bumper ones. In the meantime, however, (for at least six months) Europe cannot be independent and will be compelled to meet sellers' prices.

As far as the United States is concerned, a small primary movement, such as we predicted, continues. Receipts at terminal points today were only 214,000 bu compared to 239,000 last week and 216,000 last year. Stocks at Kansas City, Duluth and Minneapolis decreased 191,000 bu so far this week. The chief decrease is in Kansas City, and we believe that the Southwestern markets will continue to reduce their stocks until finally there will be only a minimum amount left of the hard wheat variety which is chiefly grown there.

While the trade in general expects a great revival of the milling demand after the Supreme Court's decision in the processing tax case, as far as the Southwest is concerned, there is no hesitancy even now on part of millers to make purchases, indicating great necessity. The milling demand in the Southwest has been quite active during the last few days and very high premiums have been paid. There has been an advance of late compared to the futures. Eleven and twelve per cent protein wheat, which ordinarily brings but small premiums, is selling in the Southwest at as high as 10 to 15 cents over the Kansas City May future, indicating a very urgent demand. This is in great contrast to the demand for red wheat out of Chicago. We are, therefore, somewhat doubtful whether the expected demand for soft wheat will be as urgent as some believe. We are still of the opinion that a comparatively larger percentage of farmers' holdings is in the soft wheat territory and that red wheat will continue to be proportionately in lesser demand than either spring or hard wheat. Should this be the case, when May delivery comes around, it is possible that Chicago wheat stocks will not decrease to the same low points which they did last season.

Fluctuations were rather narrow and after the early decline, following weaker cables, there was a steady tone, final prices closing 3/8 ¢ per bu lower than they did yesterday.

Corn receipts are still disappointingly small, total primaries being 420,000 bu compared to 473,000 last week. The demand seems to be fully equal the supply. There are no burdensome accumulations, and this cereal remains in a rather strong position.

Trade in oats and rye remains so small that fluctuations are unimportant. New factors will be required to bring about radical changes.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

January 4, 1936

Liverpool wheat cables were practically unchanged to 1/8¢ per ushel higher, which indicates to us a firm undertone abroad. In fact, e believe the foreign situation to be absolutely sound, as even the aximum amount of shipments which Canada will furnish ought to be asily absorbed; and outside of that country Australia will probably e the only heavy contributor for the next six months. Our advices rom Winnipeg are to the effect that enormous quantities of wheat have een sold abroad lately, which leads to the assumption that clearances uring January and February this year will be extremely heavy. This arge business has not as yet affected the Winnipeg futures to any ex-ent. It seems that the Wheat Board is willing to let exporters have hatever quantities they need without raising the selling price mate-ially. This naturally puts us more in line for importations as long s we continue to advance and they do not follow. Nevertheless we ave received reports that the amount of wheat on which duty was paid ast week was only 819,000 bu; so it is not likely that maximum im-ortations will reach, or exceed, 50 million bu, and might even be omewhat less.

According to all statistics, Canadian farmers' holdings, as of ecember 27, 1935, should not have been larger than 29,433,000 bu. owever, almost daily deliveries there are greater than a year ago--esterday being 194,000 bu compared with 177,000 bu the previous sea-on. The same period in 1935 stocks in farmers' hands in Canada were stimated to be 53,431,000 bu. We, therefore, believe that the crop ad been under-estimated, and that larger amounts will be available or sale from that country. While exact estimates cannot be made at he present time, we feel that by next July their stocks will have been ery heavily reduced, and that the whole world will have only normal r subnormal supplies on hand when the new crop movement starts. This n itself creates a sounder situation than has prevailed for years, ecause even if we should then have large crops again, the farmer might ell afford to take a lesser price; and he, as well as the consumer, ill be well contented.

Trade here was rather moderate today, but the undertone very firm. he fact that the decision on the processing tax is likely to come out n Monday creates a very bullish sentiment. It is assumed that mill-ers will be heavier buyers regardless of what the decision will be. e believe there has been a much better milling demand the last few ays in the Southwest, and also here. We received reports indicat-ng that several large round lots of wheat had been sold out of Kan-as City during the past few days, about 93,000 bu of warehouse re-eipts were cancelled out of public elevators here, and a further ale of 50,000 bu was reported.

Primary receipts continue to be extremely light-- 223,000 bu ersus 227,000 bu last week and 263,000 bu last year. Stocks at Kan-as City, Duluth and Minneapolis so far this week show a decrease of 29,000 bu. We believe the visible supply will decline only moderately his week, and will make a very poor showing with last year.

At the close our market showed an advance of 1/2¢ per bushel.

Corn, oats and rye all advanced slightly in sympathy with the ister cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

Jan. 6, 1936.

The Supreme Court's decision on the AAA case entirely dominated our market today. Even during the early hours of the session little attention was paid to statistics, as traders all based their operations on what, in their judgment, the outcome was likely to be. When the decision finally became known, a sharp advance took place at first on the assumption that inasmuch as the Act was unconstitutional, with the lifting of the processing tax, flour would be cheaper and would increase consumption, which would encourage millers, as well as large bakers, to lay in larger stocks. As further details came out, it became quite clear that production control in future will not be permitted as far as the United States Government is concerned, but it will be up to the states; and of course it is not likely that there ever will be such an agreement among the forty-eight states. Therefore we may look forward to a larger wheat acreage.

The farmer from now on may possibly not receive any benefits for leaving part of his land idle. This immediately affected the more deferred futures on the theory that we may look for a largely increased spring wheat acreage this season. As far as the winter wheat is concerned, it is too late to plant any more.

The heavy selling in July and September wheat eventually influenced the May wheat, and at the close the market was 1/8¢ per bu lower for the May, and 5/8¢ lower for the July.

From our point of view, we believe the result of this decision will be somewhat bearish. We have no reason to change our previously formed opinion that with the importations which we expect during the remainder of the season, we shall have a probable carryover of 150 million bushels. We, therefore, conclude that should new-crop futures decline further it is bound to affect the May wheat later on also. With such a quantity of wheat which might have to be carried into the next season, neither the farmer nor the miller will be likely to carry large stocks at the end of the season, and a great deal of the carryover will appear in public and private elevators. There is already a tendency for our visible stocks to decrease much slower than a year ago, the decrease today being 1,587,000 bushels compared with 3,442,000 parallel week in 1935. Last year during the next seven weeks the smallest decrease was 2,455,000 bushels and the average was close to 2,800,000 bushels. So during that period the visible supply decreased almost 20 million bushels. It finally went down to 37,727,000 bushels on May 4th, from 81,328,000 bu on January 5th. In our opinion it is not likely that with importations the reduction of stocks this year will be equally as great.

The fact that Canadian farmers' deliveries keep up at a heavier rate each day than the previous year, (today's figures being 213,000 bu against 176,000 bu in 1935) and also taking further into consideration the fact that the Winnipeg market has been losing gradually on the Minneapolis, leads us to believe that more purchases are likely to be made right along from Canada.

Liverpool wheat cables were rather strong, advancing from 7/8 to 1 1/4¢ per bushel. This was mainly due to the extremely small world shipments, which amounted to 5,628,000 bushels this week versus 7,455,000 bu a year ago. It is surprising how the importing world so far has been able to get along with such reduced supplies. However we expect a great deal of Canadian wheat has been contracted of late which has not yet cleared, and that from now on this picture will change considerably.

Primary receipts here remain very light --453,000 bu against 437,000 bu last week. Chicago hardly received anything, and stocks have decreased considerably, amounting to 190,000 bu.

The corn market was more or less strong on its own merits, but when wheat declined from the high point it sympathised with it. However the visible supply actually decreased 529,000 bushels during a period when a very heavy movement was expected, and is now only 7,173,000 bushels whereas a year ago it was 39,875,000 bu.

Rye was somewhat weaker. Oats showed but small variations; intermediary fluctuations were mostly in sympathy with wheat.

UHLMANN GRAIN CO.

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CHICAGO MERCANTILE EX.

CHICAGO Jan. 7, 1936.

Liverpool traders took a rather pessimistic view of the effect on wheat prices following the decision of the unconstitutionality of the processing taxes. Their market declined from 2 to 2 1/4¢ per bushel.

It is quite natural that the first impulse would be to expect declines in July and September wheat on the assumption that the spring wheat acreage would be increased. This undoubtedly will be the case, but even before there were any restrictions, the size of the crop in the Northwest was largely influenced by soil and moisture conditions; and it should also not be entirely forgotten before the Farm Board started with its activities in 1929, wheat had sold then at $1.18. The extreme low prices which were so ruinous to the farmer, prevailed only during the period of the Farm Board's operations on account of the excessive accumulations. For the majority of years between 1914 and 1929, a fairly high price level existed. We had a large export business during this period; all those who were directly and indirectly connected with the grain business received great benefits-- this included the railroads, shipping interests, elevator men, etc.

There is no reason to fear that even without any crop control we shall necessarily see a great depression in world wheat prices. Fortunately, owing to the three short crops in the United States, as well as Canada, the foundation is a very much sounder one now.

At the end of this crop year stocks everywhere will have been reduced very materially, particularly so in Canada. The great handicap to advancing prices for years had been the great accumulation of wheat supplies through the Dominion Government. With the elimination of the processing tax, and consequently a cheapening of flour prices, an increased consumption is likely to be seen. A wave of flour buying had been expected which has not yet materialized, but we still believe that there is no longer any reason for consumers to follow the conservative policy which has been dominant-- at least not until another crop will be raised.

At the present time the outlook for winter wheat is very favorable, moisture conditions are better than they have been for years, and with a continuation of normal or better than normal weather conditions, undoubtedly we shall be in a position next year to again raise wheat for export. This might be a blessing. We do not believe it is an exaggeration to state that by next July the Southern Hemisphere will have the smallest amount of wheat stocks left that it had in years, and will no longer be a factor as an exporter. Therefore there might be plenty of room for the United States to take its place.

There was an undertone of strength in the May future during most of the session, as some flour sales must have been consummated and hedges had to be removed. The open interest is gradually declining, being now a little less than 107 million bu.

The premiums in the Southwest keep up extremely strong; it probably takes a good memory for anybody to recall such high premiums for cash wheat as are existing in that market at the present time. There is also some #2 red wheat being shipped out of Chicago daily, but there are fair quantities left. Of course with July at such a discount it will be the intention later on of everybody to clean up as much old wheat as possible. The July and September wheat were the weakest today, partly influenced by the extremely favorable weather conditions prevailing now; practically the whole Southwest had received good snows. We still believe that from now on the market will be largely influenced by prospects of the next crop. Should they be very propitious, and July and September wheat decline further, we assume that May is bound to be affected by it. If we carry over 150 million bushels of wheat a time will come later on when every holder of cash wheat will be anxious to realize on the premiums which will exist over the new crop futures.

Primary receipts of wheat today were 272,000 bu compared with 168,000 bu last week, but yet they must be considered as exceptionally small; actual shipments exceeded the receipts --being 314,000 bu. Stocks at Minneapolis so far this week show a decrease of 105,000 bu.

At the close the wheat market showed an advance of 1/2¢ per bu for the May wheat, and a decline of 3/8¢ per bu for the July.

Corn showed a firm undertone, receipts are light, but there is a tendency of heavier offerings from the country. However the fact that hogs have advanced so much is rather bullish on corn. Oats remained neglected but showed a slight advance, while rye closed lower.

UHLMANN GRAIN CO.

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CHICAGO January 8, 1936.

Liverpool wheat cables for the second day now showed comparative weakness. While the nearby future advanced 3/8¢ per bushel, the May and July declined 1/2¢ per bu. This we presume is due to the enormous purchases of Canadian and Australian wheat during the last week or two, which have not yet been thoroughly digested. However we believe that this is nothing about which to worry, as the fundamental situation abroad is quite sound, but has not found expression in much higher values on account of the apparent reduced consumption.

According to the International Institute of Agriculture, the world's wheat production this year is the smallest since 1924. The exportable supplies in the season 1935-36 are estimated at only 800 million bushels compared with 900,000,000 bu. a year ago and 1,375 million bushels in 1928-29 when wheat values started their big decline.

The carryover figures will be largely reduced this year, and are estimated, by the same concern, at 260 million bushels less. This fact is being recognized by the trade in this country, and only the prevailing idea that there will be a scarcity at the end of the crop year and a great plentifulness the coming season would justify a difference of 13¢ per bushel between May and July wheat, not to speak of the big premiums which are being paid for the cash wheat over the May future at the present time. We believe, in spite of the great reduction which has taken place in accumulated stocks, that there will be no real scarcity at the end of the season. Any cash holder of say 5,000 bu, if he would be compelled to carry it into July might lose the whole difference, as the premiums which are paid for old wheat compared to the new are usually quite insignificant unless one is very choice and the other comparatively poor in quality. Those who are interested in these spreading operations, therefore, will have to make up their minds as to the size of our carryover.

Importations on which we figured right along have not been very heavy of late, being only 134,000 bushels for the week ending December 28, and 334,000 bu for the week ending January 4th. However this was a period when milling business was extremely poor on account of uncertainties of the processing tax, but with a better flour business now, importations might increase. So far since August 1st they amounted to 19,332,000 bu, and even if the rate is not increased during the remaining period it is likely that they will amount to at least 40 million bushels. And this added to our crop of 600 million bushels would about cover one year's consumption, and leave us as a carryover the same quantity as we had at the beginning of this season.

The only wheat which we believe will be really scarce will be the hard variety. Kansas is either the largest or second largest milling center in this country, a tremendous grinder of wheat into flour, and has not the benefit of freight rates which would enable it to bring wheat there from across the border --they have to depend upon their own and adjacent centers. Stocks at Kansas City last year were 19,418,000 bushels, and this year only 12,152,000 bu, or a decrease of 7,266,000 bushels. Considering that farmers there have been selling very freely we presume that receipts there will be exceedingly light and that stocks will be practically exhausted before another crop.

We feel differently about the Northwestern situation on account of additional supplies through importations which have to be added; and we have to conclude that if there is a moderate carryover in this country it must be chiefly in soft wheat.

There were a good many buying orders in the pit early in the session, evidently removal of hedges, as flour sales undoubtedly

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have greatly increased --Chicago alone reports sales of over 50,000 bushels. This gave us a firm opening and further advances, which, however, did not hold, and at the close May wheat was 3/4¢ per bushel lower and the July 1¢ per bu lower.

The weather was again extremely favorable in the Southwest with more snows; and this moisture is particularly beneficial. Even the Pacific Northwest lately has had fair amounts of precipitation, and for the present the outlook must be considered as highly favorable. This leads to the frequent expressions of bearishness as far as the new-crop futures are concerned; but it also must be borne in mind that much might happen yet to change the crop prospects. We have seen in the past a heavy winter killing during the month of March when there was lots of thawing and freezing and great changes in temperature from day to day.

The Wheat Board at Canada continues to show the tendency to sell its wheat to all those who want it at reasonable prices, which makes it difficult to boost that market, and any decline there immediately affects our Northwestern section.

Primary receipts of wheat here continue to be very light--263,000 bushels, while actual shipments were larger at 332,000 bu. Stocks at Kansas City and Minneapolis so far this week show a decrease of 394,000 bushels.

Corn receipts are still light, but there is a feeling that the movement might increase soon, and the tendency was toward weakness.

Oats and rye were somewhat lower in sympathy with the sister cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 9, 1936.

Liverpool cables were lower again today, at least on the further deferred futures, May and July declining 1/2 to 5/8¢ per bu. The larger Black sea shipments might have been an influence, being 1,208,000 bu compared with only 8,000 bu last year; but when it is considered that the estimated Argentine clearances are only 1,102,000 bu versus 4,235,000 bu one would imagine that this latter item might have made a greater impression. However since it is known that the Southern Hemisphere will be unable to supply a great deal of the European needs, this matter is discounted; and as long as Canada remains a free seller it is being more or less ignored.

There seems to be no question that the Dominion government has plenty of wheat left to supply Europe with all that will be required for the next six months. But it also must be taken into consideration that no matter how good European yields may be during the next season Canada will still remain virtually the only large reservoir for the 6 months period following, unless in the meantime the United States and Russia should become more important factors. As far as the latter country is concerned, she has not been able to export any sizable quantity since the beginning of the war in 1914. However she is supposed to have made great improvements in the cultivation of land and still has tremendous tracts which could be planted with grains, particularly wheat. Her population increases very fast, 3 to 4 million a year, but with greater prosperity the prospects are also that she will become a larger consumer of both wheat and rye. She will remain a very uncertain quantity for a long time.

As far as the United States is concerned, the crop outlook for hard winter wheat is excellent at the present time, and we believe soil conditions in the Northwest are also more favorable than they had been in the past season. While it is too early to make any predictions, we think it is safe to assume that we shall not likely remain an importer of grains this coming season, and probably what happened the past year will not be repeated for a generation to come. Possibilities for a large crop exist . Bumper crops are just as scarce as extreme crop failures, but yet once in a while Nature provides rain and sunshine just at the proper time to afford the best results. It is a long time yet between now and harvest, almost six months; much can happen either way, and for the present we can only watch the progress of the plant from time to time.

In the meantime there is some reaction from the bullish feeling which existed sometime ago; we believe this is chiefly due to the rains and snows in the winter wheat belt, particularly in the Southwest.

Primary receipts continue to be light, 353,000 bu, while shipments were 334,000 bu; and so far there is a decrease of stocks at Kansas City and Minneapolis of 482,000 bu. There continues to be a fair demand for red wheat out of Chicago and we assume that next Monday stocks will show quite a decrease. However it will be the endeavor of every cash handler to reduce his stocks to the lowest point before the new crop moves; and it will take continued efforts to accomplish this result. Assuming that Chicago sells 50,000 bu of wheat a day in excess of its receipts, it would take one hundred business days, or up to about the middle of May, to reduce wheat supplies here by 5,000,000 bu, and this would still leave 3 1/2 million bu to market afterwards. We think it was this thought which induced some of the spreaders to take profits, selling May wheat and buying July wheat, and the difference narrowed today considerably in comparison with yesterday.

At the close today the market showed a decline of 1¢ per bushel for the May wheat and 3/8¢ for the July.

Primary receipts of corn are still very light, but a freer movement is expected soon. There are no signs yet of heavy accumulations, but the trade is very light and fluctuations small. Yesterday the total turn-over in corn was only 3,335,000 bushels.

Interest in oats and rye is still more limited, total transaction in oats yesterday being 613,000 bushels, and in rye, 372,000 bu.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO Jan. 10, 1936.

Firmer Liverpool cables, as usual, had a stimulating effect upon values here, and our opening was somewhat higher. Futures there closed at an advance of 7/8¢ to 1 3/8¢ per bu.

For a while here there was some disappointment in the fact that removal of hedges on part of millers, which was much in evidence yesterday, did not continue today. It is generally recognized that flour business had been quite fair after the processing tax case had been decided, but there seems to be some let-up now in the immediate milling demand. However, Chicago shipments show that actual sales from here must have been quite considerable; therefore we look for a fair-sized decrease in the visible stocks in Chicago on Monday. It is apparent, however, that these sales must keep up, because the present supply of over 8 1/2 million bu of all kinds of wheat in this market are still quite large, and must be more or less cleaned up before another crop moves, in order to justify the high premium of May wheat over the July.

Weekly shipments from Argentina, Australia, Russia and the Danubian provinces are quite moderate, amounting to 4,508,000 bu, and unless Canada, together with smaller sundry countries, clears close to 5 million bushels, total world shipments for this week will be again smaller than last year same period. It is officially reported that the Canadian Wheat Board sold approximately 60 million bushels of wheat since it took over the selling operations for the Dominion Government. This is a wonderful feat to have accomplished in one month; and such results could only have been obtained through the wise policy of missing no opportunity of consummating sales at reasonable prices, as the Board was directed to do. It is true, possibly higher prices could have been obtained for smaller quantities, but the object was to clean up the old accumulated stocks so as to have a sound foundation when the new harvest starts in the fall. We believe in the long run this policy is a good one; and prospects for more remunerative prices for farmers all over the world are possible as long as the carryovers are reduced, unless, of course, bumper crops should be raised everywhere. But even in the latter case the farmer can well afford to take a lesser price provided the quantity he disposes of will compensate him so that the total realized will be satisfactory.

During the session it was reported that the Bonus Bill had passed the House. This is considered as inflationary, at least by some traders, and also added a little firmness to the undertone.

At the close the wheat market showed an advance of 5/8¢ per bu for the May wheat and 3/8¢ for the July.

Primary receipts continue to be light, although much larger than either last week or last year, being 417,000 bu, but shipments were equally satisfactory, totaling 390,000 bushels. So far this week stocks at Kansas City, Duluth and Minneapolis show a good-sized decrease --720,000 bu. Inasmuch as we already know that Chicago will also show a good decrease, we look for visible supply stocks on Monday to be considerably less than the preceding week.

Weather remains satisfactory, temperatures in most sections are about normal to possibly a trifle above, and there are indications for more snows in various parts of the winter wheat belt.

Corn receipts are becoming larger, primaries today being 608,000 bu compared with 420,000 last week and 264,000 last year. The undertone is reasonably strong, but yet there is not much incentive to accumulate large lines with prospects of better receipts.

Oats and rye showed no pronounced tendency.

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CHICAGO January 11, 1936.

After the close of our session yesterday the Government came ut with an official report on farm reserves as of January 1st, of 59,390,000 bu of wheat. This compares with 137,504,000 bu last year nd an average of 248,672,000 bu during the years 1928-1932. of ourse in the earlier periods we were on an export basis and had to upply foreign countries with their needs. Therefore comparison ith same would be of no value. The fact that farmers are holding 2 million bu more wheat while the visible supply is only 11 million u less than in 1935, indicates that these two items show more wheat han a year ago. As an offset, are the undoubtedly smaller stocks n country elevators and big and small mills; but then again we have o take into account that we shall probably import 20 to 25 million ushels of wheat from now on.

Taking it all in all we are still of our previously formed pinion, which we do not think we shall have to change, that our arryover on July 1st will be very close to what it was last year-- ay about 150 million bu. In that case, there may be times when olders of cash wheat might become very anxious sellers, as nobody ill be inclined to carry much wheat into the new crop at big preiums, particularly if the crop outlook should be favorable for an arly harvest. Of course this propitious outlook for winter wheat ight change, but the matter must be kept in mind.

It is becoming increasingly evident that the progress of the rop will remain the important factor in shaping values.

The Liverpool wheat market was strong again for the second day, utures advancing 5/8¢ to 7/8¢ per bu, which had a stimulating efect early in the session.

In general the milling demand all over the country is poorer han was expected after the decision on the processing tax, although hicago claimed to have sold 105,000 bu. Primary receipts were arger than for sometime, but by no means burdensome, amounting to 39,000 bu versus 223,000 bu last week. Stocks at Kansas City and inneapolis so far this week show a decrease of 735,000 bu. As we nticipate a further heavy decrease in visible supply stocks in hicago on Monday, we are inclined to believe that there will be a air-sized decrease in total visible stocks, but nothing like last ear when they amounted to 3,071,000 bu.

World shipments will probably also be very moderate, which will eep foreign markets pretty strong. In fact outside of Canada and ustralia, there are very few countries left from which they can raw this season; and the Southern Hemisphere will certainly be a mall shipper after July 1st.

At the close our market was 3/4¢ per bu lower for the May elivery and 1/2¢ per bu for the July.

The farm reserves for corn were also very much larger than nticipated --1,343,000,000 against 810 million bu last year. The mount of oats held in farmers hands are reported to be 771 million ushels versus 343 million bu in 1935, or more than twice as much. ll this tended to depress coarse grains, and they closed somewhat ower. Rye sympathised with the balance of the cereals.

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CHICAGO January 13, 1936.

Very little attention was paid today to cables, although finally futures at Liverpool declined 3/8 to 3/4¢ per bu from the previous day.

There are so many domestic problems to consider that they naturally are uppermost in the mind of every wheat trader. World shipments were somewhat larger than recently, but yet they are not quite up to recent years, amounting to 9,064,000 bu compared with 9,357,000 bu the parallel week in 1935.

Early in the session the market was unfavorably influenced by advice from a market forecasting agency recommending the sale of wheat and predicting lower prices. The fact that the milling demand remains rather indifferent also induced some realizing. During the session the Supreme Court rendered its decision on the rice millers' case against the Government. After a slight bulge in both wheat and cotton, higher prices were not maintained, and at the close May wheat declined 7/8¢ per bu compared with Saturday, with the July unchanged.

It is surprising that country marketings in Canada continue to be larger than last year when the crop was supposed to be shorter; and according to all calculations the amount of stocks in farmers' hands should be very much smaller. Today's marketings are 260,000 bu against 185,000 last year. Domestic primary receipts continue to be comparatively large, 688,000 bu versus 453,000 a week ago, and only 283,000 last year. It does not seem as if such a movement could possibly continue for any length of time. According to Government figures, stocks on farms on January 1, 1936, were 159 million bu; on July 1, 1935, they were approximately 42 million bu. Assuming that on a much larger crop they would be only equal to that figure on July 1st, 1936, the farmer would sell only 117 million bu of wheat for the balance of the crop year. It is also estimated that there was a disappearance of wheat on farms during the last three months of 1935 of 100,168,000 bu. Consequently the probability seems to be that the farm movement during the six months beginning January 1,1936 will not be very much larger than it was during the previous three months, which, of course, would be extraordinarily light.

In analyzing the amount of wheat in farmers' hands by states, we find that Kansas, Oklahoma, Texas and Nebraska, which produce the hard variety, have only 28 million bu left against 35 million bu in 1935. Therefore it seems that if there is any shortage it will be of that variety. The four big soft winter wheat states; Ohio, Indiana, Illinois and Michigan, have about 31 million bu compared with about 32 million bu the year before, or virtually the same; and this probably will be sufficient for all purposes. The great surplus remains in the spring wheat territory: North Dakota, South Dakota, Minnesota and Montana, where there are 57 million bu of wheat left versus 32 million in 1935. But as about 20 million bu will be needed for seed, there will also be no extravagant surplus left there.

The visible supply, as we expected, showed a fair-sized decrease, 2,332,000 bu compared with 3,076,000 bu last year, and is now 10 million bu smaller than it was at that time. Chicago stocks decreased 391,000 bu, which reduces the amount in elevators here to 8,226,000 bu. Much naturally will depend upon whether this demand will keep up, as finally it will be the desire of every holder to reduce his stocks to a minimum before the new crop starts, particularly if the crop outlook should continue to be favorable.

At the present time we hear hardly any complaints, except that mention is made occasionally that the lack of subsoil moisture, which was so pronounced for many years, has not yet been replenished; but altogether the prospects are more favorable than for many years.

New legislation is expected to take the place of the processing tax, and efforts will continue to have acreages controlled in order to prevent excessive supplies. Of course, it is impossible as yet to tell what the new law will be and how it will affect the market.

The corn movement is much larger --primary receipts being 1,099,000 bu versus 600,000 last week. Therefore little attention was paid to another decrease in the visible supply, the total amounting to only 6,235,000 bu against 31,798,000 bu in 1935. But if the farmer becomes a liberal seller it would not take very long to again accumulate larger stocks. The corn market closed somewhat lower.

Oats and rye also influenced by the other cereals closed at a moderate decline.

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CHICAGO January 14, 1936.

Liverpool market was reported featureless, and at the close there was hardly any change from the previous day. It seems that importers have already bought considerable quantities of Canadian wheat for shipment from the middle of this month right up to the end of next May, according to Broomhall, and there is, therefore, the inclination to await flour sales before making further commitments.

With no foreign incentives, our market opened at about unchanged levels, and there was hardly any trend here either except a slight narrowing in the difference between the old and new crop futures. Ordinarily at this time of the year prices are inclined toward weakness. The 10th of January is the calendar time for selling wheat and this, in a large measure, is due to a poor milling demand which has generally been satisfied by that date. It was expected that this year would be different and that after the High Court's decision on the processing tax a latent demand would spring up. Up to now the millers have been quite busy studying the various phases of the law, and any improvement certainly has been on a limited scale. Mention was not made of the fact, but possibly this is an issue also --namely, that old supplies of wheat are dear. Premiums over futures are being paid in practically all cash markets, and in addition to that there is still a drop-off of 11 cents from May to July, which might be a serious handicap to the hedger who might be forced to carry his supplies beyond the May delivery.

In Canada there is little change in the price level from day to day. The new Administration is doing its best to dispose of previously accumulated holdings. As of January 3, total stocks were about 293 million bushels, or about 11 million bu less than were held a year ago. On basis of the Government crop figures, there are still 28 million bushels to come forward from the farms. In view of the deliveries, which continue to run larger than a year ago, we still feel that their crop has been under-estimated. Today country marketings amounted to 210,000 bu compared to only 140,000 bu in 1935.

Domestic primary receipts today were 254,000 bu, which was just a trifle less than last week but slightly more than a year ago. Kansas City and Minneapolis stocks showed a net increase of 12,000 bu so far this week.

After a few liquidating orders, which came into the market early, firmness developed in sympathy with a steady market at Winnipeg and a slightly higher market for the July and September deliveries. However May wheat did not show any material change from yesterday, and trade on the whole was extremely light.

Corn lacked new incentives, bookings to this market were rather light, but the demand was only moderate, and the trade generally was not inclined to take a position on either side of the market. Latest figures issued by the Department of Agriculture show that the price of corn on the farm is about 53¢ per bu, which is somewhat above the government loan value.

Oats and rye moved but slightly, and were little influenced by the leading cereals

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CHICAGO January 15, 1936.

The main influence today was higher quotations from abroad and ese, we believe, were occasioned by dearer Australian offers and so crop conditions in France which were reported as unfavorable. ropean markets are more susceptible to this type of news than in an dinary year because of the short Argentine crop and the knowledge at a fter next July offerings from that country probably will drop the smallest proportions. The weather abroad is being watched refully owing to the recent mildness and the absence of adequate ow protection.

Our market opened one-half cent per bu higher, although there s no great enthusiasm on the buying side, nor did there appear to any urgent short covering. The trade still has in mind that only slight improvement in flour demand has followed the invalidation processing taxes. There are still a great many uncertainties surunding the status of taxes, and according to the Northwestern ller, sales in the Northwest averaged only 44 per cent of capacity st week compared to 64 per cent a year ago, while Southwestern sales taled 42 per cent of capacity compared to 57 per cent a year ago. both instances the business was slightly better than the previous ek of this year. It is still the opinion of many well posted people at, with flour stocks low, buying is bound to increase at some later te.

The Winnipeg market at no time advanced much, and this is also ing closely watched, due to the imports from that country. The antity which entered for consumption last week amounted to 460,000 , and the total imports since August 1st amount to 19,792,000 bu. ring the latter half of the crop year we believe that possibly other 20 million bu are likely to come in and, therefore, make up e deficiency in our last year's crop which was below domestic reirements. On January 3rd of this year, the total Canadian stocks this country or in transit amounted to 39 million bu or an increase 28 1/2 million bu since August 1, 1935. There is, of course, some kelihood that a part of these stocks will be diverted to Europe, or ssibly milled in bond. There is also the great possibility that our market should advance out of proportion to prices in Canada, is wheat, together with other supplies, might all find its way into mestic consumption. Canada still seems to have ample supplies of eat, and her stocks on January 10th, exclusive of amounts in farmers' nds and in transit by rail, amounted to 257 million bu, or just ightly more than was held a year ago. We presume that from now on nadian clearances ought to be much heavier in view of the business ich was put through lately; but since August 1st shipments from all untries to Europe actually have been 14 million bushels less than ey were a year ago, while those to ex-Europe, not including shipments om Canada to the United States, were about the same.

Our primary receipts today were quite large amounting to 471,000 compared with only 177,000 bu last year. So far this week Kansas ty and Minneapolis stocks show a total decrease of 179,000 bu. untry marketings in Canada were 182,000 bu versus 150,000 a year o.

After an early advance which resulted from a very strong close Liverpool, prices reacted, new-crop futures leading the decline. th conditions over the winter wheat belt still satisfactory, ere seems no great incentive on part of traders to buy the deferred tures, even at this level.

Corn was somewhat higher early, but final prices were little anged from the previous day. It is considered possible that a ange in the Government-loan policy might follow now that the AAA invalidated and farmers need no longer fulfill their hog-corn conacts. At the same time the movement from the country is very all, and apparently farmers are feeding rather freely instead of nding much of their product to market.

Rye was fairly strong early in sympathy with Winnipeg, but also acted when the other cereals weakened.

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CHICAGO January 16, 1936.

First quotations from abroad showed firmness this morning, and we believe that the recent advance in Australian prices is a factor abroad. Shippers are not offering heavily, as farmers in that country are not willing sellers; and with the Argentine crop so small Europe is not as independent as she was for the last few seasons. Nevertheless when our market showed weakness it had its influence abroad, final prices in Liverpool declining 1/2 to 1 1/8¢ per bu, the greatest weakness developing in the March delivery.

This week's shipments from the Argentine are estimated at only 735,000 bu, which is smaller than last week and compares with 3,237,000 bu actually cleared a year ago. Shipments from the Black sea are also disappointing, amounting to only 88,000 bu for the week against 1,208,000 bu last year. Up to the present time, or in twenty-four weeks, Russia has shipped about 25 million bu of wheat, which is the largest quantity in several years. It appears, however, as though the business from that country from this point forward would be rather small; and, therefore, we do not anticipate that European markets will lose much of the recently acquired gain.

There was really no important news domestically. Traders who often watch Winnipeg prices for their inspiration are finding little this year upon which to base opinions, because the Canadian market is almost at a standstill. Apparently sufficient business has been put through to make sharp price declines unlikely; but on the other hand the people in charge of disposing of the wheat supply are more interested in the quantities which they can market than in the prices actually obtained. Therefore they seem to have futures available to handlers whenever hedges have to be removed. As long as this situation continues, we look for a rather indifferent market in Winnipeg and therefore importations to this country will continue, unless we should decline to a level where such operations become unprofitable.

Primary receipts were quite large today, totaling 455,000 bu compared with 136,000 bu last year. Stocks at Kansas City and Minneapolis so far this week show a total decrease of 214,000 bu.

Shortly after our market opened there was pressure on the July and September futures, probably occasioned by very good moisture in Nebraska. In some places fairly heavy snows were recorded, and the forecast suggests more precipitation, except that the western section of the winter wheat belt will probably be skipped again. In any event the moisture situation is so much better than for the last several seasons that no immediate apprehension is being felt, but whatever occurs now is certainly welcome.

The open interest does not show any material change from day to day, the total being 109 million bu. Yesterday there was a decrease in the open interest of May contracts, but an increase in both July and September. By far the largest interest still remains in the May future, with 81 million bushels open. We expect that as we approach the crop-scare period buying orders will come mostly into July and September.

As long as Liverpool July wheat fluctuates between 94 to 95¢ per bushel our new crop months do not seem so very high, particularly as the carryover into the next crop will just be a moderate one; and crops are never made in January even though the outlook at the present time is very favorable.

Corn showed no trend in either direction, receipts are not burdensome, and without any leadership in wheat to follow, the market was quite indifferent. The same applied to oats and rye.

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CHICAGO MERCHANTILE EX.

CHICAGO January 17, 1936.

Liverpool was again firm this morning, following advances both in Winnipeg and Chicago yesterday. It seems that offerings from Australia are very meager and prices in that country have practically advanced lately to the Canadian parity.

Conditions in France are none too favorable on a slightly smaller acreage, and therefore the psychology abroad has improved greatly from what it was during the past few years.

Broomhall still estimates that importers' requirements will amount to 540 million bu this crop-year. Included in this are the possible Canadian shipments to the United States; but in any event it would mean on an average that world shipments would have to amount to nearly 11 million bu weekly. From August 2 of last year to January 11th this year, the total world shipments amounted to 221,460,000 bu, which would leave 318,540,000 bu still to be shipped to the end of July. No doubt there will be some increase now in shipments from Canada, in view of the large sales recently consummated, and also due to the fact that she is about the only country remaining still in a position to furnish substantial quantities for importers' requirements. Last week's Canadian exports were somewhat better and were divided as follows:

3,000,000 bu	shipped abroad as wheat
450,000 "	in the form of flour
500,000 "	imported to this country
300,000 "	milled here in bond

or a total of 4,250,000 " . We should say that it was probably the intention of those in control in Canada to sell about 1 million bu each day in order to get rid of the previously accumulated load.

As far as our domestic situation is concerned, it does not change much from day to day; and the trade is on a very restricted scale. Yesterday, for instance, only 12,884,000 bu of all grains were traded, of which 11,222,000 bu were in wheat. It is quite apparent that a broader demand is necessary if we are to anticipate much of an upward move. There are still some uncertainties in connection with further agricultural policies, although these were clarified somewhat in the President's press conference this morning. We believe that certain amendments will be sought in order that the Government may continue to control farm-cropping methods in its relation to soil erosion. Mr. Roosevelt explained that he referred to the exhaustion of soil resources by intensive cropping as a form of soil erosion. No mention was made about any farm aid taxes and apparently no estimates of the cost of the new program had yet been thought out. He probably has as his chief motive the importance of a good farm income, and we presume on that basis that some new legislation is to be expected.

It is reported that a good many mills are writing a provision into their flour contracts whereby the buyer will be responsible for any taxes imposed by Congress, even if these be retroactive. This we believe has the tendency to limit business for the time being, and cash demand in all markets was reported as rather slow.

There had been some snows overnight, and the forecast suggests rather general moisture tonight and tomorrow possibly extending even to the western sections. According to the Robinson Elevator report, moisture during the last month has been of a very meager quantity in Kansas, yet over almost the entire state some precipitation has occurred, and this added to good November rainfall, finds the fall-sown crop continuing to show good promise in an area comprising approximately 10,000,000 acres.

With this in mind new-crop futures are under pressure occasionally, and do not respond to any extent, even when May wheat is in demand.

Primary receipts today were fair --382,000 bu versus 230,000 bu a year ago. So far this week stocks at Kansas City, Duluth and Minneapolis show a total decrease of 288,000 bu. Canadian farmers' marketings were 244,000 bu against 150,000 bu the previous season.

Corn was rather firm, and while trade was exceedingly light the cash demand was good and basis unchanged. There is no movemement of consequence, and visible stocks are decreasing at a time when there should be a building of reserves.

Trade in oats and rye futures was of such small proportions that there was really no feature to those markets.

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CHICAGO MERCHANTILE EX.

CHICAGO January 18, 1936.

The Liverpool market was again quite strong today and the March delivery sold at a new high for the season, the price there nearly reaching the dollar mark.

There are several reasons for strength abroad and we have pointed out some of these in our previous market letters. First of all it is apparent that with a crop failure in the Argentine, and possibly half of their surplus going to countries like Brazil, that Europe will have to turn more toward other exporters. United States is not offering anything at the present time --in fact has been an importer of wheat --and, therefore, is also out of the picture.

It is estimated that farmers in Australia have sold to the pools for export and delivery probably sixty per cent of the crop or approximately 85 million bushels, which would leave a balance of only 55 million bu on farms for seed, feed and to be marketed during the next ten months. This means that with only small shipments coming from the Danubian countries, Canada holds the whip-hand; therefore, an analysis of the Canadian situation is interesting at this time. According to the Dominion crop estimate, there is an apparent balance to market of 26,600,000 bu in the 29 weeks to August 1st of this year. This compares with 51,462,000 bu which actually came forward from the farms during this period a year ago. We can hardly imagine that there is only half as much wheat remaining in farmers' hands when the country deliveries each day run in excess of those of 1935. Other stocks of Canadian wheat remain about the same as a year ago, and the total visible supply as of January 10th was 257,341,891 bu, so that it would appear as though Canada would be successful in reducing the burdensome carryovers which were accumulated during the past two or three years.

In spite of the strength abroad, there was very little feature to our market which opened firm and fluctuations thereafter remained within extremely narrow limits.

There are still a great many legislative uncertainties that must be ironed out before trade will broaden materially. Secretary Wallace predicted that February 15th was time enough for new farm legislation. In his opinion the proposed soil conservation program would cost approximately the same as the AAA, and he declared today that public opinion would not tolerate the recovery of the billion dollars in processing taxes already paid by processors.

We feel that when the millers can enter into new contracts with buyers with a definite knowledge of what the price basis should be, that business will be less restricted. In the meantime the cash demand is rather slow.

Primary receipts today were quite fair and amounted to 410,000 bu compared with 174,000 last year. Stocks at Kansas City and Minneapolis show a total decrease of 314,000 bu. We expect that on Monday the visible supply willshow a fair shrinkage but nothing like it did a year ago when there was a decrease of nearly 3 million bu. Canadian marketings were 166,000 bu, again larger than a year ago when they amounted to 153,000 bu.

The predicted moisture developed, and was rather general, being quite heavy over the central states but light in the Southwest. There is a chance that further snows will fall in the Southwestern sections, followed by generally colder weather. Some apprehension was felt because of the temperatures which prevail in a few localities below the zero mark. This created a slightly better demand for new-crop futures and probably the thought also that some crop scares would be had a little later influenced mostly the deferred months, which are selling at a big discount under the May delivery.

Corn was firm, the country movement is still light, and we are not accumulating stocks as we usually do at this time of the year. Trade was not very large and prices were easily influenced by small orders. Yesterday, for instance, less than 2 million bu traded in the pit.

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CHICAGO January 20, 1936.

The wheat market acts almost as if it had temporarily found ts true level of value. Fluctuations for the past month have been xtremely dull and likewise the volume of business unusually small. ast Saturday the total amount of wheat traded in Chicago was ,801,000 bu, and all grain amounted to only 6,809,000 bu, which is ardly more than one large commission house would trade in during period of busy market activity.

The trade will undoubtedly recall that a little over a month go, on December 13, out of a clear sky the Argentine government unxpectedly issued an edict guaranteeing the farmer 90¢ per bushel for is wheat, which price was about 20¢ a bu higher than was obtainable he previous day. As we remarked at that time, this threw a bombhell in all wheat markets of the world, and Chicago advanced the ull allowable limit for one day's trading, the close that night eing $1.00 1/2, or practically where our market is selling today. ll subsequent events had a rather negligible influence here and here does not seem much in the immediate situation to get us out of he rut.

World shipments this week were way under the requirements stimated by Broomhall, and amounted to only 7,546,000 bu. Canada leared the bulk of the wheat, or nearly 4 million bu; but despite hese bullish statistics the English market ruled weak and the close as 7/8¢ per bu lower than on Saturday.

It was officially denied abroad that France had placed an mbargo on wheat exports, although owing to the unfavorable weather onditions the government is said to be considering the advisability f discontinuing sales for export.

The visible supply of wheat decreased 1,371,000 bu. This as considerably less than last week and only one-half of the shrinkge that occurred a year ago. The total in all positions is 66,604,000 u, and only a deficiency of 8,701,000 bu from stocks in the 1935 isible at this date. In view of the imports which are taking place, e would not be surprised if the discrepancy between last year's isible and this would finally narrow still further. Primary reeipts were quite good today, amounting to 612,000 bu versus 229,000 year ago. Chicago wheat stocks decreased 210,000 bu for the week, nd the total now in store amounts to a little over 8 million bu gainst 5,344,000 bu in 1935. There is also 247,000 bu of bonded heat here in Chicago, which probably sooner or later will pay the mport duty, and then be included in domestic stocks. Country marketngs in Canada were 150,000 bu whereas last year they were 168,000 bu.

There was no feature whatsoever to our market today. After pening prices were recorded at a loss of about 1/2¢ per bu from the revious session, there seemed to be very little new interest displayd, and the few buying orders which came into the market centered ore in the deferred futures, which slightly narrowed the spread beween old and new crop positions.

The Supreme Court convened, but did not render any important ecisions which might have affected either the securities or commodities arkets; therefore inspiration from that source was also lacking. he close showed a loss of 1/2¢ per bu for the May wheat, and 1/8¢ er bu for the July.

Corn also suffered from lack of trade . There was no pit ctivity, although the cash basis was relatively firm. The visible upply showed an increase of 198,000 bu for the week, and total tocks are in the neighborhood of only 6 1/2 million bu.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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TELEPHONE HARRISON 6282
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO January 21, 1936.

Liverpool and Winnipeg were closed today owing to the King's eath. Without guidance from foreign markets our market opened at oout unchanged prices from yesterday, and there seemed to be little ncentive in making new commitments.

Broomhall reports a fair trade in Australian parcels, which have een offered more freely of late in competition with selling pressure rom Canada.

Mild weather is reported throughout Europe; and this places ne winter wheat crops in a somewhat precarious position, as any idden changes to low temperatures might do considerable damage.

It is the prospect, however, for a better winter wheat crop in ne United States, which is reassuring to the importing countries. ne fall planting in the United States for this coming year's harvest as estimated by the United States Department of Agriculture to have een 47,529,000 acres. This is 6.7 per cent above the 1934 fall-sown creage, and 5.7 per cent more than the five-year acreage. According the same authority, heavily increased winter wheat seedings are ven estimated in the states of Minnesota, South Dakota, Montana, yoming and Colorado. Generally speaking conditions have been favorble for fall growth in the states east of the Mississippi river. course in sections of western Kansas and western Nebraska seeding ook place under rather dry soil conditions, without much relief since. ut at least the largest portion of our acreage is progressing well; nd this accounts also for the prevailing discounts of July and eptember wheat under the May.

There is no noticeable improvement yet in the flour demand,but is generally conceded that millers' stocks are low, and it is likely so that the amounts in country mills and elevators are considerably naller than stocks which were held January, 1934.

There is still 31,246,000 bu of Canadian wheat in store in bond United States markets, which means that if prices here rise out of roportion to those in Winnipeg that the import duty could be paid. nis continues to be a factor here with prices in Winnipeg being carelly watched. Wheat imports for consumption so far this season nount to 20,792,000 bu.

Primary receipts today were not large, at 296,000 bu versus 9,000 bu last year. Stocks at Minneapolis and Kansas City show a et increase of 54,000 bu so far this week; and we do not expect that ne visible supply next Monday will show a very heavy shrinkage.

Total trade yesterday in all pits amounted to only 8 million bu, which 6,289,000 bu was traded in the wheat pit alone. This in itlf describes a picture of inactivity as we have scarcely seen bere, even during dull periods. It seems that new incentives are eded before the market will get out of its present rut. Neither the ssage of the Bonus Bill yesterday by the Senate, nor the release of npounded processing taxes to processors had any effect here whatsover. The Supreme Court late yesterday denied Government lawyers their quest for a re-hearing of the rice millers' case. This clarifies onies which had been placed in escrow, but still leaves doubt as to nat further agricultural policies might be, in the way of alternative gislation to counteract the effects of tax invalidations. Many ople still believe that in order to maintain the support of agriculral communities that there will be further beneficial plans to rmers suggested. Possibly this is the reason for indifference on rt of buyers at this time until definite proposals are made.

The close was precisely the same as yesterday. The total range May wheat was only 3/8¢ per bu, while in the deferred months it s even less.

Trade in corn was likewise slow. Primary receipts amounted to 4,000 bu, compared with 277,000 a year ago. It must be borne in mind owever, that last year's crop was a failure, and that consequently ne movement from the country should be on a much larger scale. The sh demand was practically steady, but bookings to Chicago were light.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 22, 1936.

The Liverpool market reopened this morning after paying homage
the memory of the British King. Prices closed 1/2 to 5/8¢ per bu
igher, and firmness abroad has been a feature now for several weeks.
here are several reasons which contribute to strength in importing
arkets. First of all, the Australian surplus, according to Sanford
vans, still available for export amounts to only 89 million bu com-
ared to 107 million bu last year. Argentina has only 60 million bu
spare compared with 154 million bu a year ago. Russia at the pre-
nt time is shipping only small amounts, while in France latest crop
ports indicate that prospects continue less favorable, and the con-
tion of the wheat crop was recently placed officially at 68 per cent
compared to 75 per cent last year. As an explanation, we are told
at 80 per cent equals an excellent crop and 60 per cent only a fair
op. The acreage in that country is about one-half million acres
ort of what was sown last year. Taking it all in all, there is
ly one country which really can offer freely at the moment, namely,
nada.

From August 1st world shipments to Europe alone have amounted
165,848,000 bu as compared with 180,528,000 bu for the correspond-
g twenty-four weeks of last season. A year ago there was slightly
re wheat shipped during the the 28-week period from now until
gust 1st than during the first 24 weeks of the crop season, and no
ubt the same will be repeated this season, particularly if crop
ospects abroad are less cheerful. To offset this situation, we
me to our own country where for three years drought conditions have
isted. The abandonment of winter wheat acrea ge during that period
s been extremely heavy, averaging 28.3 per cent as compared with a
n-year average of only 12.6 per cent. In fact last year the amount
winter killing was over 30 per cent, and we believe that history is
t likely to repeat itself in such an unusual way. In other words,
e law of averages would suggest somewhat more normal conditions.

The government weekly weather and crop report states that
nter grains are protected by a more or less adequate snow cover
om the Northern Ohio Valley, Northern Missouri and Northern Kansas
rthward. It is true that over the western half of Kansas bare
elds and a rather general deficiency of soil moisture have prevailed,
d the present cold weather must be unfavorable in those localities.
will, of course, not be determined,until after growing weather
arts, to just what extent the crop has been injured, and much can
ppen yet, although it certainly is safe to predict that the chances
ght now are for a much larger crop than was harvested a year ago,
rticularly as we are starting with the largest winter wheat acreage
nce 1927, an actual increase of 6.7 per cent above the 1934 fall-
wn area.

Primary receipts today were moderate at 311,000 bu compared
th 131,000 bu last year. So far this week Kansas City and Minneapolis
ow a net decrease of only 26,000 bu. Canadian country deliveries
wheat yesterday were 226,000 bu compared with only 103,000 bu.

Most of our activity today came immediately after the opening,
llowing the strength at Liverpool. Senator Bankhead made public
s bill, which provides for a law on the proposed soil conservation.
e object, amongst others, is for a maintenance of farm purchasing
wer; and we presume that legislation of this kind will finally be
afted into law. Marketwise this had very little effect; nor was
ere any particular activity when it was announced that the French
binet had resigned.

We believe that low temperatures were possibly responsible for
prehension, but this, in our opinion, should affect mostly the de-
rred futures. Our July wheat at the present time is selling at 6¢
der the same delivery month in Liverpool, affording a fairly reason-
le relationship and probably the best which has existed in several
ars.

Final prices here were 3/8 to 5/8¢ per bu higher than yesterday,
though the volume of trade was still small. Yesterday only 3 mil-
on bu of wheat traded in the pit, and all other pits furnished only
additional million bu.

Corn was higher in sympathy with wheat, but buyers also had in
nd that colder weather always means additional feeding.

Rye suffered from lack of trade, and the deferred months were
tirely ignored.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO January 23, 1936.

Liverpool wheat futures were slightly higher at the start, but st prices were not maintained, and the close showed a loss of 1/4 1/2¢ per bu. Probably an increase in Black sea shipments was a ctor, as 520,000 bu of wheat were cleared this week compared with ly 88,000 bu last week. Included in the above was 280,000 bu of eat shipped from Russia.

It was also reported by Broomhall that weather in France was ear, and that native wheat offerings have increased, with merchants fering to resell to millers quite freely.

Our market opened slightly higher, and sentiment locally was iendly to the market, based largely upon weather reports, which owed sub-zero temperatures rather wide-spread over central and stern states. In most localities where the extreme cold prevailed ere was a fairly adequate snow covering, so that probably one or o days of severe temperatures will not harm the plant. On the other nd it might even tend to eliminate a good deal of insect damage such existed last year. In the Southwest there was no particular rea- n for alarm, as the weather was considerably warmer; and this is im- rtant as snow covering there has been poorer.

Trade in the pits was not large, and while somewhat improved sterday when 10 million bu were actually traded in all pits, the ount remains extremely small, even for the time of the year. Never- eless the open interest increased slightly, and stands at practically 0 million bushels.

It is our impression that because of the many legislative un- rtainties, confidence has not been fully restored. Since the Supreme urt has swept away the AAA it appears that substitute measures are ing studied. While even the High Court ruled against the right to gulate agricultural production, there seems to be the feeling that e farmer still needs a ssistance, and, therefore, an alternative asure might be enacted into law in order to maintain the farmers' come. The best posted people are of the opinion that some sort soil conservation program will supersede the AAA. President osevelt today asked for a fund to carry out farm contracts; and a pplemental appropriation amounting to $296,185,000 is needed to com- ete rental and benefit payments.

In the 29 months between July 1, 1933 and November 30, 1935, ere was 931 million dollars collected in processing taxes, and 357 million dollars was distributed in payments to farmers. Since e Administration has maintained for a long time that the farmer's in- me is important to the welfare of the entire nation, we presume that other plan such as the new Bankhead Bill will be considered.

Buyers of flour are unable to determine whether any new tax ght become retroactive, and, therefore, the volume of new business ill remains small.

Primary receipts today amounted to 311,000 bu compared with 8,000 a year ago. Stocks at Kansas City and Minneapolis so far this ek show a net decrease of only 39,000 bu. Country marketings in nada make a good showing with last year, and were 180,000 bu against ,000 bu in 1935.

There was no great enthusiasm shown in milling centers, with th Kansas City and Minneapolis rather indifferent. This seems to against any sustained upturn right now, despite the fact that in- ation fears are again coming to the foreground.

Gold stocks are strong, many of them making new highs. It is lt, however, that inflation will not have its immediate effect upon eat because Canada is still willing to sell supplies at practically changed prices. With the premiums, which exist in this country, im- rts are still taking place; and, therefore, our price level for the xt few months at least will be determined largely by the action of e Canadian market. Later on, of course, crop prospects will be the minant feature.

The close showed only nominal changes from yesterday.

Corn was firm, and while the trade was small, it is apparent at the movement from the country remains light, and we are in a riod now of heavy feeding.

Other grains, likewise, showed no particular trend, with volume business still small.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

January 24, 1936

Liverpool cables were weak this morning and the close was about
e lowest point, showing losses of 7/8 to 1 1/2d per bushel. The de-
ine was offset partially by a rise in sterling exchange, and we fig-
e on the present basis that 3 1/2¢ in the £ value is equivalent to
out 5/8¢ per bushel in wheat.

There was another contributing factor: namely, the increased es-
nate of the Canadian crop issued by the Ottawa government late yester-
r. We have mentioned right along that on basis of country marketings
at crop appeared to be under-estimated, and we should not be surpris-
if finally the figure had to be raised again. In any event there
opears to be sufficient wheat in Canada, and we analyze the situation
out as follows:

On August 1 of last year the carryover amounted to 214,926,000 bu.
nce that time to January 18, 1936, exports were 100,115,000 bu, made
as follows: Ocean exports 62,733,380 bu; flour 11,450,000; United
ates imports for consumption 20,433,000 bu; and imports for milling
bond 5,499,000 bu. It is estimated that home requirements in Cana-
, including feed, seed, etc., amount to 110,000,000 bu. Therefore,
al home requirements and exports amount to 210,115,000 bu, or less
an last year's carryover. Theoretically, therefore, there has not
en a bushel of this year's crop touched, which is now estimated by
e Dominion government as amounting to 277,339,000 bu. We figure that
nada could easily increase her weekly shipments to 6 million bu; and
this were accomplished during the twenty-eight weeks until August 1,
36, there would still be a carryover of about 114 million bu, which,
course, is a reduction from the "Pool-Era years", but nevertheless
still more than adequate, being equivalent to about a year's home
quirements.

Australian wheat shipments for the week were quite large and
ounted to 3,845,000 bu. Shipments from Argentina were small at
5,000 bu, but in view of their failure crop nothing of consequence
n be expected at anytime during the season.

The news in this country revealed no startling developments. Weath-
over the central states was still extremely cold for the time of the
ar, but moderating temperatures are anticipated; and in view of the
ow covering there has probably not been a great deal of damage. In
event this cannot be determined for some time to come.

Primary receipts were just fair today at 247,000 bu compared with
,000 bu last year. So far this week stocks at Kansas City, Duluth
l Minneapolis show a net decrease of only 5,000 bu. Canadian coun-
marketings amounted to 177,000 bu versus 102,000 bu last year.

It is not likely that the visible supply next Monday will show a
avy shrinkage, particularly as a little Canadian wheat seems to be
ported right along.

Again there was no trend to the market, and at the close values
e practically unchanged from the previous session. The government
l furnish us figures late today on the country mill and elevator
ocks; and these should be considerably smaller than they were in
35. However, as a partial offset farm reserves were larger and also
fact that we are importing wheat liberally, which was not the case
t year.

Corn furnished no particular interest, despite the fact that the
nmodity Credit Corporation announced a change in the conditions for
king corn loans. In effect, there is a reduction of practically 7¢
bushel from the former 45¢ loan. They are now figuring a bushel
the basis of a volume measurement of 3 cubic feet a bushel, with-
allowance for shrinkage, whereas formerly the loan had been made
a 2 1/2 cubic foot per bushel basis, with an allowance of 5 per
nt of the volume for shrinkage. This may be partially discounted
eady, although actually it should mean additional supplies to mar-
instead of being placed under government seal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 25, 1936.

Liquidation of March contracts was again a feature in the
verpool market, and the nearby month showed a decline of 1 1/4 pence,
ile other months were fractionally lower. It seems that there is
me pressure of arriving Australian parcels, and the United Kingdom
mand is not particularly good, while shipments to the Continent of
sold wheat has also been responsible for the recent declines.
stralia has put a lot of wheat afloat for the United Kingdom and for
ders this week. According to Broomhall, farmers' deliveries are
ill abundant, although we presume from now on this movement will
ssen.

After our market closed yesterday, the Government issued its
timate of wheat in country mills and elevators. This showed a re-
ction of about 15 million bu from stocks in 1935, but was more than
fset by the larger farm reserves which a few weeks ago were estimated
be about 22 million bu greater. Taking these two items together
th the visible supply, we find that there is practically as much
eat as was held a year ago. Then, of course, comes the question as
supplies of commercial mills, and estimates will vary a great deal
this subject, although it is generally felt that, because of the un-
rtainties connected with the AAA, millers have permitted their sup-
ies to run down considerably; so it is possible that stocks are 25
llion bu smaller than they were in 1935. This is not particularly
arming as we continue to import wheat from Canada and might make up
ch a deficiency with the result that the carryover on July 1st is apt
be nearly as large as it was at the beginning of the crop season.
en, of course, much would depend upon the prospect of the next crop,
ich is a more or less unknown quantity this early in the season. The
vere cold wave has not abated entirely, but temperatures probably
ll moderate somewhat, and the districts which were most affected were
rtunate in having had a fairly good snow covering. In the Southwest
e forecast is for colder, but there is also a good possibility of
ow and, therefore, we doubt whether much apprehension should be had
out actual damage to the crop. There is always a certain amount of
nter killing due to severity of temperature, and up to the present
me nothing sensational has taken place.

Primary receipts today were 296,000 bu compared with only 120,000
st year. Stocks at Kansas City and Minneapolis show a net decrease
60,000 bu so far this week. Canadian marketings were 164,000 bu
ainst 118,000 bu a year ago.

Shortly after the opening our market was influenced by further
flationary scares. It was felt in some quarters that if the Federal
serve body deemed it advisable to check speculation by increasing
rgins on stocks that inherently the situation was tending upward;
d that cogniz ance of that fact by this high body was in itself
idence that fears were present. It required but little buying power
boost values, although milling centers such as Kansas City and
nneapolis were rather reluctant in following our advance.

There was a considerable amount of wheat sold out of Chicago--
1,000 bu of which 25,000 comprised #2 hard and the balance red wheat.
is had a slightly more bullish effect upon May wheat than it did
on the deferred futures. Our own feeling is that inasmuch as we are
actically on an import basis now from Canada that great indifference
part of Winnipeg cannot be ignored. Their futures were about un-
anged today, and we have remarked on several occasions that any
eat advance here not shared by Winnipeg will finally mean that we
ll have to absorb greater quantities of Canadian wheat. We, there-
re, think that inflation will have less effect upon wheat than upon
her articles due to this situation.

The close showed an advance of 3/4¢ per bu for the May wheat
d 1/2¢ for the July.

Corn was also helped by the strength of the leading cereal, and
ceipts at the present time are not at all burdensome. Bookings to
icago are rather light, and there seems to be practically as much
aving this market as is coming in.

Oats and rye received their stimulus from the inflationary feel-
ng. Deferred futures in rye which had been ignored for several days
ddenly came to life and closed a good deal stronger than the May
livery.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 27, 1936.

The demand for wheat in Europe remains dormant, according to roomhall, with only occasional sales being made. There was a little nquiry this morning for nearby Manitobas, and also a little short overing prompted by the fact that there would be a holiday in iverpool tomorrow. Closing prices were 3/8¢ higher for the March elivery, but only 1/8¢ advance for the deferred months; therefore it s quite obvious that no anxiety exists abroad, despite the fact that here is no pressure this year from the Argentine, with shipmentsof heat from that country at a record low pace for the time of the year. ince the first of January there has been slightly less than 3 million u cleared compared with 15 million bu for the corresponding period year ago.

World shipments were larger this week, totaling 10,738,000 bu. f this amount Canada furnished nearly 5 million bu, which is considerably better but still not quite up to the amount which we had figured ight be reached, in view of the small supplies contributed by other xport nations.

On Saturday trade had enlarged somewhat and the total volume f business amounted to 20,875,000 bu. The carryover feeling this orning was a little bit bullish, based on an inflation scare, although the sterling rate and the French franc rate were virtually unhanged today, indicating that these sensitive barometers of world rend were not fearful of any immediate changes.

Chicago stocks have been decreasing a fair amount during the ast few sessions, and this has induced speculators to buy May wheat n preference to the deferred months, with the result that a slight idening has taken place. After receiving the government figures last eek on country mill and elevator stocks, together with the wheat in arious other positions, we again concludedthat at the end of this rop year our carryover would not be much changed from the one we had n July 1, particularly with the importations from Canada which are aking place. Under these circumstances one must visualize what the ituation will be on May 1. It would indicate if the above premises re correct that no shortage would exist and, therefore, we are prone o believe that Chicago will still have its share of stocks for delivery purposes, as was the case a year ago. We cannot feel even ith the reduction that is taking place that it is fast enough to creat ny great scarcity in red wheat.

The visible supply decreased 867,000 bu for the week. This is ather small and compares with a shrinkage a year ago of 2,694,000 bu. hen our visible supply stocks reached their maximum on October 26, 935, we had accumulated 78 million bu of wheat in various positions. his compared with 103 million bu for the corresponding period of the revious year; or in other words, we actually had 25 million bu less heat. At the present time our total supplies amount to 65,738,000 bu, hich is only 6,873,000 bu smaller than it was a year ago. Therefore t will be observed that we are catching up very quickly in this irection.

Primary receipts were quite good, and amounted to 437,000 bu gainst 253,000 last year. Country marketings in Canada were 151,000 u versus 173,000 bu in 1935. This is the first time in at least ten ays that last year's marketings exceeded those of the present run.

The cold weather had no particular effect upon our price structure, although temperatures in the central states remain very severe. he fact that we started with such a large acreage, and having at the resent time a fairly good snow coverage, allays fears of great damage.

Chicago stocks of wheat at this time are 7,718,000 bu whereas year ago they were 4,901,000 bu. Without new incentives the market as rather dull. The fact that gold stocks were lower took away some f the romance recently created through inflation.

At the close our market showed an advance of 1/8¢ per bu for the ay future and the deferred months were unchanged.

Corn suffered from lack of trade. The visible supply increased nly 384,000 bu, and it seems difficult to accumulate stocks at terminals. The feeding basis seems to be very satisfactory, and, therefore, the farm disappearance should be large. The Department of griculture claims that the number of cattle on feed in the eleven orn-belt states the first of this year was 41 per cent larger than the ery small number on feed a year earlier. Despite the sharp increase ver last year, the number is materially below the average for the ears 1930 to 1934.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 28, 1936.

Both Liverpool and Winnipeg markets observed a holiday owing
o funeral services of the late King of Britain. This was responsible
or even a quieter cash demand abroad, but it seems the demand for
heat during the past week has been insufficient to absorb free offer-
ngs from Canada and Australia. With foreign markets closed there was
ittle to guide us here, nor was there any chance of arbitrage opera-
ions between our market and Winnipeg.

The overnight news disclosed nothing of a new character. The
illing business was still moderate, and cash wheat remains slow ex-
ept that higher proteins are well maintained due to the fact that
eceipts everywhere are light. Whether there will be any excite-
ent until the flour demand is restored is difficult to say. However
great many arguments are taking place as to the final disposition
f funds which had been held in escrow while the AAA was being fought.
akers generally are working on supplies previously bought without
aking many new commitments. This gives us extremely quiet markets
ith only a small removal of hedges.

For the first six months of the crop year our imports have
otaled 26,691,000 bu, or at the rate of over 50 million bu for the
ntire year. The Government just issued its figures for December
howing that 5,102,000 bu of wheat have entered this country. This
s really the first time since the 42-cent duty has been in effect
hat imports have been on such a large scale, and shows that even a
ountry which formerly was a large exporter can change very quickly
hen a combination of crop curtailment and drought exists.

The fact that the world price level had advanced was, of
ourse, beneficial to our domestic price level, but with Canada
ather indifferent, their May wheat last night being 14¢ per bushel
nder Chicago, or practically the widest difference so far, and the
innipeg May wheat at 22¢ per bu under Minneapolis, it is beginning
o make a lot of traders do some thinking.

The weekly world shipments are not averaging 11 million bu,
or is Canada furnishing 6 million bu per week, which would have to
ake place if Broomhall's import requirements of 540 million bu would
inally find fulfillment. It seems that England is about the only
ountry taking a uniform share from export nations, as other countries
n an attempt to become self-sustaining have shown a rather disappoint-
ng attitude in their purchasing policies.

The total volume of trade yesterday declined from the previous
ession, and amounted to only 12,822,000 bu, which also demonstrates
hat new interest in the market is lacking at this time.

Primary receipts today were 209,000 bu, or practically the same
s a year ago when they amounted to 208,000 bu. So far this week
tocks at Kansas City and Minneapolis show a total decrease of 73,000
u; and here again we find that supplies are not going very rapidly
nto consumption. According to the National Millers Federation, on
anuary 1st of this year, big mills had 61.4 days of grindings on
and compared with 53.1 on January 1st, 1935. This suggests an in-
rease of approximately 16 per cent, and is somewhat surprising as
any had been of the belief that while the many uncertainties pre-
ailed stocks had been permitted to run rather low.

The trend of the market was slightly downward, apparently due
o liquidation from a few tired holders. At the close losses were
hown of 7/8¢ per bu in the May delivery, and 3/8¢ in the July.

Corn also showed a slightly lower tendency, bookings to
hicago were a little heavier, and the cash market for high-grade
orn a trifle easier. There was no particular feature to this cereal.
he Government also published figures of December imports, which
mounted to 2,029,000 bu. The total since July 1st last year is
5,620,000 bu. Of course from now on this will not be an important
actor.

Rye and oats were quiet, and showed only fractional changes.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
' YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

January 29, 1936

Liverpool reopened this morning after observing a holiday yes-
rday and prices were considerably lower. Sterling had also declined,
ich accentuated somewhat the break so that closing prices were 1 5/8
1 3/4¢ lower than at their previous session.

Broomhall attributed the decline to free offers from the Con-
nent, including Portugal; and it seems the inquiry for actual wheat
very small right now despite the fact that crop prospects abroad
e not nearly so good as they were a year ago. Since August 1st
rld shipments to European countries are about 18 million bushels
ss than they were last year, while shipments to ex-Europe are about
million bushels smaller.

Such definite change of action naturally had its influence
re, and our opening was at quite a concession, considering the
ghtness of trade and the fact that our fluctuations have been very
rrow during the last two or three weeks.

There was another factor, however, that might have turned
ntiment here. It was the estimate given out by the Department of
riculture for a carryover on July 1st of between 140 and 150 mil-
on bushels, which they claim would include considerable light weight
eat. Their estimate was based on imports this year of 35 million
shels, which looks like a very conservative figure in view of the
ct that nearly 27 million bushels have already entered the country.
ere is nothing new in the fact that the carryover stock will be al-
st as large as last year when it reached 152 million bushels, and our
rket letter readers will recall that we have been mentioning this as
possibility for several months. At the same time, it was a con-
oversial issue and disputed by a great many authorities because of
e fact that our crop amounted to only 603 million bushels and they
resaw a likelihood of cutting into our reserve stocks due to the
ficiency at home. The fact that the Government itself recognizes
ch a situation gives us also confidence that there will be ample
ocks for all purposes.

Now comes the question as to distribution with a great many
ople still claiming that Chicago will not have its share of wheat;
t in the final analysis the grain will be somewhere in the country,
d we figure that the elevators in practically every locality will
ve to decide on the first of May whether they want to sell their
eat or whether they can carry it into the next crop with discounts
11 to 12 cents staring them in the face, due to the fact that the
ferred months are ruling at tremendous discounts.

We figure that great changes may occur, and adhere to the theory
eviously expressed that a great narrowing between May and July wheat
ll finally take place.

Chicago will finally draw wheat from other centers, particular-
if the premium for the nearby month still prevails.

As far as the domestic crop situation is concerned, the week-
government report claims little change in the Ohio valley from
st week with a good snow covering over most portions. Some local
mage is claimed in southern Missouri because of the snow blowing;
d likewise in Kansas grains were largely unprotected; but not much
prehension seems to be felt except in the western third of the
ate, where the condition is poor. Taking it all in all, we would
y that the prospects are fairly satisfactory with the largest winter
reage sown since 1928; and, therefore, much will depend upon future
ather and to the extent of moisture during the growing season.

Trade still remains small with not quite 14 million bushels
tually handled in the various pits yesterday and an open interest
intained at around 110 million bushels.

Primary receipts today amounted to 288,000 bu. which compares
th 128,000 last year. Stocks at Minneapolis and Kansas City show
total decrease of 108,000 bu so far this week. Canadian country
rketings yesterday amounted to 140,000 bu versus 144,000 last year.

There was no important feature to our market. Locally the de-
nd is quiet, although a small amount of red wheat is sold from
icago almost each day. At the close May wheat showed the greatest
cline, amounting to 1 3/8¢ per bu., while the deferred months were
ly 1/2¢ lower. Corn was a little weaker in sympathy with wheat. The
sh basis was steady to 1/2¢ lower. Trade is generally light, and
sterday only 1,340,000 bu. were traded. Oats and rye seemed to find
ttle support and on the whole there was very little new interest.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

January 30, 1936

A year ago at this time markets were very quiet, and the trade in neral was waiting for the decision of the Supreme Court on the gold ause. Therefore the price range was narrow at that time and May wheat s selling at about 96¢, while the July delivery was quoted at about less. Even then there was great worry as to whether or not supplies July 1 would be adequate, and the fear which existed probably re- lted from the fact that our carryover stocks had been greatly reduc- since the time of heaviest accumulation during the Farm Board era.

The carryovers of wheat on July 1 were as follows:

1929 - 249 million bu
1930 - 306 "
1931 - 338 "
1932 - 398 "
1933 - 390 "
1934 - 292 "

ssibly it was forgotten that in the ten years prior to 1928 our rryover averaged only 120 million bu each year, and for all practical rposes this used to be considered adequate, particularly if the pros- cts for the following crop were normal. The carryover on July 1 of st year amounted to 152 million bu, but this apparently was sufficient the premium for the May delivery finally vanished. We are now told ficially that our carryover will not vary much from the one of last ar; and with July wheat still quoted 10 to 11¢ per bushel discount der May, we are wondering whether history will not repeat itself.

Foreign markets today were weaker and the close showed fractional clines, with the March delivery 1/2¢ lower. The weakness in North erica had been a factor and induced pressure from shippers, with parently only a small inquiry in the United Kingdom, and the Contin- t actually offering to re-sell.

There were no shipments this week from the Black sea of any grains, d the estimated Argentine shipments of wheat were rather light at 5,000 bu, although an increase over last week.

It is claimed that weather in France is improving, following the iny period which lasted for a week, but the winter crop is making a or showing as compared to last year. With European crops less prom- ing, we are not inclined to look for sharp recessions at Liverpool; d if their market remains relatively steady we believe that there is me merit to the deferred deliveries here in Chicago, particularly as ere will be a great many crop scares still ahead of us.

Primary receipts today amounted to 245,000 bu versus 136,000 bu st year. Stocks at Minneapolis and Kansas City show a total decrease only 116,000 bu so far this week, and it appears as if the visible pply on Monday would show only a small shrinkage. Canadian market- gs were 171,000 bu against 268,000 last year.

The United States imports of Canadian wheat for consumption for e week total 561,000 bu, which was a trifle larger than the week pre- ous.

Weather in this country showed not far from seasonable temperatures r the time of the year, and the Southwest, particularly the Panhandle Texas, had been favored with more snows.

On the whole it looks as though trade might have been somewhat ghter than it was yesterday, when a little more than 20 million bu re traded in all pits. The open interest in May wheat decreased ain, but is still large with 79,555,000 contracts still open.

After early liquidation came to an end the market firmed in sympa- y with relative stability in outside markets. There was no particu- r feature here and at the close values were not much changed from e previous session.

Corn likewise did not furnish new incentives. Primary receipts ounted to 399,000 bu compared with 210,000 bu last year. There is lk now that a record Argentine corn acreage is expected and the grow- g crop is splendid. Outside of sentimental effect, we do not think is will influence prices here to any great extent, as we are no nger on an import basis.

Trade in oats and rye was small and there was no particular news.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO January 31, 1936.

Sentiment abroad was a little better, and there was also some short covering with the result that final prices at Liverpool showed an advance of from 5/8 to 3/4¢ per bu. We have figured right along that there could be no great pressure upon world markets. Even with Australian offers now about 3¢ per bu under Manitobas, shipments from Australia this week were about 1 1/2 million bu smaller than last week. The visible supply in that country showed quite a large decrease, amounting to over 4 million bu. It is a known fact also that Argentina can furnish but trifling quantities for export this year due to the small harvest in that country, and shipments for the week were only 651,000 bu. We doubt whether for the month of January over 3 million bu had cleared, whereas a year ago there was actually 19 million bu of wheat contributed for import requirements. It is apparent, therefore, that with the Southern Hemisphere furnishing comparatively small contributions, and with the United States importing wheat instead of exporting, also the Black sea shipments dwindling very materially, European nations will have to look more and more toward Canada for supplies.

As far as Canada is concerned a large percentage of its crop was of poor quality; and confirmation of this was found today in a report by the Canadian Ministry of Trade and Commerce, which places 118 million bu of the 259 million bu raised in the category of #4 wheat, or poorer. They claim that feed wheat amounted to 52,800,000 bu, which would indicate that there is a good chance to dispose of much of the fine quality of grain that had been accumulated from previous crops.

In our own country, we have practically all the figures now, which show that there is about as much wheat in various positions as there was a year ago. We continue to import from Canada, and, therefore, there is reason to believe that we should have ample stocks to carry us for the remainder of this season. Then comes the problem of next year's crop. This will be an important factor to watch for the next few months. The Modern Miller in its report this week says that there is little change as compared with the condition prevailing in December. According to the Government report on December 1st, there was an increased acreage sown of about 6.7 per cent above 1934, or actually 47,529,000 acres, and the condition of the crop was 78.2 per cent of normal, which compared with a ten-year average (1923-1932) of 82.4 per cent. The Department of Agriculture claimed, however, that the abandonment might be somewhat above normal; and we presume these calculations take into consideration the previous drouth, as they figure that possibly 15 or 20 per cent of the sown acreage might not be harvested. In any event, a fairly good winter wheat crop is likely, and in addition, indications point to normal or somewhat larger spring wheat acreages if conditions are right next spring. Should this be the case we would again come into the export column.

The extreme cold weather has prevailed now for a week, but has probably not done great damage except in sections of western Kansas and Oklahoma, and the western Texas Panhandle. Other places were fairly well protected by snow covering, and scarcely any claims of serious damage have been received so far.

Primary receipts today were 208,000 bu compared with 159,000 last year. So far this week stocks at Minneapolis, Duluth and Kansas City show a net decrease of only 138,000 bu. Canadian marketings were larger than last year, being 197,000 bu yesterday against 136,000 bu in 1935.

There was no particular trend to our market after opening prices had been recorded. It was apparent, however, that liquidation which had featured the wheat pit yesterday was absent during today's session; and fractional recoveries took place, which were more pronounced in May wheat, with that month showing an advance of 1/2¢ per bu. The July lagged somewhat and closed 3/8¢ per bu higher.

Corn was firm; receipts at Chicago were a little better. The primary movement was 481,000 bu versus 285,000 last year. Rye improved with a report that 65,000 bu had been sold from this market. Actual trade in the pit was still small. The same was true of oats.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
V YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 1, 1936.

Liverpool prices showed a further steadying this morning and the close was 1/2 to 7/8¢ per bu higher. Broomhall claims that this was due to week-end covering, partly influenced by firmer Canadian and Australian offers, although the continued absence of demand for parcels checked the advance.

We presume that on Monday world's statistics will be somewhat bullish from the European point of view, as shipments from the Southern Hemisphere are small, and we doubt whether clearances from North America will in any way make up for the deficiency.

One of the recent features to the domestic situation has been the comparatively good demand for red wheat. This particular grade has been selling way below hard varieties, and no doubt demand has been stimulated for that reason. We are told that mills in the Ohio territory are running about full time, although they have nearly enough wheat on hand to finish the season. This comes to us from a well informed party doing business at Toledo. In addition to the soft varieties, it will probably be necessary to bring in more Manitobas for mixing and this, we believe, is occurring right along. Warehouse receipts today were cancelled for the shipment of 250,000 bu of No. 2 red wheat, and this may be to take care of sales previously reported. Generally speaking the milling demand is rather slow for the reason that no miller or flour buyer wants to obligate himself beyond the current business day, and as long as there continues to be talk of retroactive taxes fresh business remains small.

We turn again to Canada, as long as that country has been very helpful during the entire crop season to replenish our deficiency, and we find the total visible supply is about equal to last year's. There are about 21 million bushels less on farms, and the amount still to market is 27,714,000 bu, based on the revised Canadian estimate of crop, less amounts shipped and taking into account the amount generally used for feed, seed, etc. According to the daily marketings, one would almost imagine that another upward revision would become necessary, as the farmers are marketing each day practically as much as they were a year ago. We would not be surprised, however, if every effort would be made to reduce the Canadian carryover as much as possible. During the last three seasons there have been crop failures and these are generally as rare as bumper crops. On about the same acreage as last year, namely- 24 million acres, Canada raised its huge crop in 1928 amounting to 566,726,000 bu, which was over double the amount that was harvested last year. It is reasonable to suppose that with normal conditions a crop of 400 million bu might be raised next year, and then of course Canada might be less fortunate in being able to sell some of her wheat to the United States.

Primary receipts today were 260,000 bu compared with 185,000 last year. Kansas City and Minneapolis stocks show a total decrease so far this week of 188,000 bu. Country marketings in Canada were 152,000 bu versus 181,000 a year ago. We expect that on Monday the visible supply will show only a moderate decrease, and the discrepancy as compared to a year ago is gradually narrowing. In other words the importations from Canada are having their effect, and with only small amounts of hedges removed because of the slow flour demand, there seems to be little incentive at the moment for new commitments.

We had another rather dull session here compared with 11,431,000 bu actually handled in various pits yesterday.

Winnipeg which had been quite strong yesterday was a shade easier this morning; and we believe that the Canadian market must be watched. Without strength up there we figure that it will be rather difficult to advance domestic prices much because the Canadian offers at the moment remove all anxiety over future supplies.

Corn was firm without any particular news. The cold weather has no doubt stimulated extra feeding, but trade is small and it seems difficult to arouse much enthusiasm on the bull side.

Likewise lack of trade in oats and rye prevents those markets from enjoying any great activity.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 3, 1936.

World shipments this week were extremely light, and totaled less
ian 8 million bu, even taking into account Canadian shipments to the
iited States. The contribution made by Canada of only 3,525,000 bu
s disappointing from the point of view that a very large business had
een reported consummated after the Administration took over supplies
' the Canadian Wheat Board. It had been hoped that at this time
arger clearances would result, and that possibly as much as 6 million
i each week would be shipped abroad, and thus finally bring about a
ealthier situation in Canada.

Early Liverpool markets were steady, but even small shipments were
nable to prevent a late decline of 5/8 to 1 1/8¢ per bu, the nearby
elivery showing the greatest decline. It seems that absence of buying
rom the Continent and cheaper French offerings, with demand in England
nly spasmodic, has taken the edge off foreign markets.

We opened very little changed from Saturday's dull session, but the
oment it became apparent that Kansas City, which is one of the lead-
ng milling centers, was so weak locals started to sell. It must be
bvious to most market operators that a more spirited trade is necessary
f we are to have sustained advances here. At least this is our
ttitude as long as Canada remains serious about disposing of accumulate
upplies and makes it necessary for us to absorb the additional load.

Winter wheat was benefited over the week-end by numerous snows;
iile these were not heavy in any particular locality, they were rather
despread; and indications point to further precipitation in the
outhwest within the next twenty-four hours. There is also the pos-
ibility that without acreage control in the Northwest the spring wheat
stricts will produce a very large crop. So taking conditions as they
e today there is no great bullish incentive particularly around the
ollar mark for May wheat.

Primary receipts today were 489,000 bu compared with 238,000 bu
ast year. Canadian marketings amounted to 190,000 bu versus 269,000
i in 1935. When the visible supply figure was posted it showed a
ecrease of 1,514,000 bu, and the total in all positions now is only
,670,000 bu short of what it was a year ago. Last year for the
orresponding week there was a shrinkage in stocks of 2,718,000 bu. It
eems at the present time that the speculative interest in May wheat
s mostly long as an offset to the hedged wheat, and in July wheat
ie speculative interest is largely short.

The trade has been entering into spreading operations of this kind,
ossibly not mindful of the fact that the premium of 11¢ for May is
ready very great; and if anyone is obliged to take delivery of wheat
i May 1st the time element is a vital factor, because unless holdings
in be merchandised during June there would be the hazard later on of
ompetition with the new crop. Therefore we still feel that great
ianges may occur in the attitude of holders who are long the nearby
onth.

The Department of Commerce reported this morning total wheat
ocks held by mills representing 96 percent of the United States'
itput. These amounted to 139,774,367 bu on January 1st, and are
,839,000 bu greater than a year ago. Flour also converted to wheat
iowed about 1,600,000 bu more this year than last. These figures
e somewhat surprising as it had been expected right along that due
uncertainties of the AAA decision millers had permitted their sup-
ies to dwindle. We now have a rather complete picture including
irm reserves, country mill and elevator stocks and the visible supply,
ith the four positions actually showing as much wheat in the country
s was held in 1935. Chicago wheat stocks for the week decreased
59,000 bu, and there is still 7,479,000 bu in elevators here, which
s almost three million bu greater than a year ago.

Final prices showed a decline amounting to 1/2 to 5/8¢ per bu.

Corn held relatively firm, and while the primary movement is larger
ian it was the previous year following a failure crop, nevertheless,
is difficult to build up stocks. The visible supply actually de-
reased 422,000 bu, and there is only 6,395,000 bu on hand now compared
ith over 32 million bu a year ago.

Oats and rye were more or less neglected, but declined in sympathy
ith wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
V YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

February 4, 1936

Liverpool market was weak this morning and liquidation of March wheat was again a factor. Lower markets in North America were an influence; but, in addition to that, there seems to be actual pressure of Canadian and Australian offers, coupled with a poor flour demand. It seems that Russia has withdrawn all offers, at least temporarily, but other Continental countries are offering freely. When we look at the figures of the 1935-36 world wheat crop, which is now estimated at 3,485,000,000 bu, they are about the same as the revised total for 934-35. The increase in the Northern Hemisphere total is offset by the decrease in the Southern Hemisphere. One would imagine on that basis that European demand could be expected at any time, although Broomhall is a little pessimistic in his own view, calling attention to the unsatisfactory financial conditions abroad which make him believe that any bettered demand will not be sustained for long.

Australian offers are 2 3/4¢ less than No. 2 Manitoba Atlantic, and as a result fresh business in Canadian wheat is extremely slow at this time. World shipments from the 1st of August to February 1st, including United States imports, amount to 248 million bu, compared to 70 million bu last year. As a result of these conditions, world markets have been somewhat reactionary, and even Winnipeg has found it difficult to climb much above the minimum price which was promised to the farmer. On the other hand, those in charge of selling Canadian grain are not pressing merchandise much below cost, and therefore the Winnipeg market is practically at dead center. This in turn has influenced us because of the fact that we remain practically at a full import parity. In view of the stocks included in our visible supply in commercial and country mills, also on farms, there is no longer any fear of scarcity, and likewise the belief of scarcity prices has vanished. The important factor now is the prospect for the next crop, which remains rather good due to the recent moisture which was quite general. It is true that certain of most western sections were skipped but on the whole we have had a good share of snow.

Primary receipts today were light, probably due to frozen roads, and amounted to 190,000 bu compared to 175,000 bu last year. Stocks at Minneapolis and Kansas City show a total decrease of 139,000 bu, which is very small for the time of the year. Canadian country marketings were 138,000 bu versus 291,000 bu last year. Bradstreet gives North American exports of wheat and flour for this week 4,613,000 bu, and from July 1st to date they total 93,389,000 bu against 95,782,000 bu the previous year.

The market did not make much headway in either direction, and at the close was practically unchanged from the previous session.

Corn seems to have a good number of friends, but speculative support is feeble. Fortunately, we will not have to export any of our product this year, because it looks likely that Argentina will have a bumper crop on a tremendous acreage. It is claimed that prices on the west coast for Argentine corn are about 14¢ a bushel cheaper than domestic; but we doubt whether imports this year even under these circumstances will be a big influence. The market closed unchanged to 1/8¢ higher.

There was a little activity in rye, the market finally closing about 1/2¢ higher, while oats were neglected and closing quotations were unchanged from last night.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 5, 1936.

Short covering was reported as taking place in the Liverpool
rket with the result that first quotations were quite strong.
is was partially modified by the lower Sterling rate apparently
ought about by shipments of gold from this country during the past
w days. Best prices were not maintained abroad, with March wheat
tually closing 1/4¢ per bu lower.

The recent threats of printing-press money circulated in
shington have possibly given some concern to foreigners, and we
esume that the exporting of gold has been partly due to the re-
triation of foreign capital. It has been quite apparent to students
economics for a long period that the record gold stocks in this
untry, swollen bank reserves, low interest rates and devaluation
the dollar all tended toward inflation. Nevertheless there has
en a long period during which foreign exchanges hardly fluctuated
ratio to the dollar until just recently; but if the exportation
gold from this country continues, possibly foreign exchanges may
high enough now, at least temporarily, in relation to our money.

Foreign news had very little effect upon markets here. More
portant was the extreme cold wave which has continued almost un-
ated for nearly two weeks. The government weekly weather and
op report from Washington claims that fortunately much of the area
s either well protected by a new blanket of snow or else there
s sufficient covering already to prevent material damage. We pre-
me that very little can be determined until growing weather sets
, and this is several months away. Should there be apprehension
the meantime because of the severity of the spell, it is our
lief that new buying will come into the deferred months as was the
se today.

With one-half of the crop season now passed, it is interesting
see what has taken place thus far. Total world shipments to
rope of wheat and flour were rather disappointing the past few
eks, and for the entire period they totaled 181 million bu as com-
red with 195 million bu for the corresponding period of last sea-
n. During the latter half of last year shipments were somewhat
aller than during the first period, and amounted to only 178 million
. Now it may be that because of the shortage up to date that the
ming period will witness a better business; but with financial con-
tions abroad none too good, there is no certainty of this at the
esent time. We have been told that crop conditions abroad are not
satisfactory as last year although better weather conditions were
ported in France the past week. There are decreases generally in
ropean winter wheat acreage; a number of countries so far reporting,
aim that only 51 million acres have been sown, which is about one
llion smaller than the corresponding total for a year ago. As an
fset to this, the moisture situation in Canada is very favorable at
e present time and one would hardly anticipate a crop failure next
ar based on present moisture conditions. The total to date from
ptember to the end of January averages 4.70 inches, which is about
e-third inch greater than normal for the period. Of course, the
op has not yet been sown, but with the soil in good condition it
ssens the possibility of serious drifting in the spring.

Primary wheat receipts today amounted to 215,000 bu compared
th 134,000 a year ago. So far this week stocks at Minneapolis and
nsas City show a decrease of only 209,000 bu. There has been a
rked falling-off in country marketings in Canada --only 115,000 bu
sterday against 262,000 last year. Possibly the subzero temper-
ures are having some effect upon farmers hauling their grain.

(O V E R)

Several authorities have been commenting on the fact that while there is probably as much grain in the country as last year, that this is somewhat misleading, due to the fact that flour stocks are undoubtedly lighter. We would not be surprised if this were the case; but at the same time we see no reason for bakers or grocers to replenish their stocks to full capacity with the assurance that they will get cheaper offerings when the new crop starts to move. In other words they watch the discounts of July and September wheat the same as elevator interests, and continue to buy more or less from hand to mouth.

Final prices showed an advance of 1/4 to 5/8¢ per bushel, with not a very large volume of trade.

Corn was rather firm and the basis slightly higher. Domestically there are no accumulations taking place. One factor which bears careful watching is the Argentine situation, with many people claiming that a record crop is in sight. This might mean that at both the Pacific and Atlantic seaboards we would import some of their grain again this coming season.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

UHLMANN GRAIN COMPANY

141 W. Jackson St.

Chicago, February 6, 1936

Liverpool quotations were somewhat lower at the start with sterling exchange about the same. The weakest future was the March delivery which has lost practically its entire premium over other months. This clearly demonstrates an inactive demand, and possibly today's prices were influenced by Black sea shipments, reporting 516,000 bu put afloat this week, of which 688,000 bu were shipped from Russia. As there had been no clearances last week, this came as a sudden surprise, particularly as Broomhall had been of the opinion tha the business from now on would be very small. There were also heavier contributions estimated from the Argentine at nearly two million bu, which, while small as compared with last year, are practically three times as much as that country actually shipped a week ago.

It seems that millers' inquiry in England remains extremely quiet; and without any inspiration from abroad our market depends largely upon domestic factors. Here, too, we find news rather scarce and it continues of the same tenor as heretofore. Despite the fact that flour stocks are thought to be extremely light, new business remains disappointingly small, and we presume that there are a number of reasons to account for the general indifference. First of all, there is still some question as to retroactive taxes, It is claimed the opinion of the Department of Justice held that retroactive taxes were limited to the current fiscal year. Secondly, farm taxes were again under discussion at the White House recently, and it is considered a possibility that some substitute levies to support a farm program might be under consideration. The third factor is the great difference in price between May futures and the deferred months. This creates great caution on part of buyers and whatever new business is consummated is apparently for immediate needs only. As a result of this situation, we believe that some speculators have been back-spreading their positions during the last few sessions, and at the present time the difference between May and July wheat has narrowed to 9 3/4¢ per bu.

The open interest in July wheat is almost 27 million bu, and it must be largely short, as we do not believe farmers are hedging their crop this far in advance. Therefore in unwinding of spreads between May and July it is not very easy to cover commitments. For some time past it was popular here to have bought May wheat against sales of deferred months on the theory that there might be a scarcity of old wheat due to the fact that last year's crop only amounted to 603 million bu, which was actually under home requirements. However with the recent imports and a continuation of this business quite a change in sentiment has apparently been under way during the last few sessions.

Primary receipts today were 221,000 bu compared with 153,000 a year ago. Stocks at Minneapolis and Kansas City so far this week show a decrease of 344,000 bu. Country marketings in Canada were only 140,000 bu versus 284,000 in 1935. On that basis the Canadian crop was not under-estimated, but it remains to be seen whether the lighter marketings of the past week or two are not due to the very cold weather.

As our session progressed there was no great feature, but it was difficult to get much new buying, as Kansas City remained inherently weak.

At the close May wheat showed a decline of 1/2¢ per bu, and the deferred months advanced about 1/4¢ per bu.

Corn was more or less neglected, but it is apparent that the cold weather has meant more feeding, and we have not yet reached a point where accumulations can take place. This may come later on should we get either an advance in prices or more moderate temperatures.

Rye was strong, and the May delivery went into new high ground. Many people consider that this cereal is cheap compared with others.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
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COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 7, 1936.

Liverpool quotations started firm but finally closed 1/2 to 3/4¢ per bu lower. The spread between Winnipeg and Liverpool is still 6¢, and Broomhall claims it is only 50 per cent of what it should be if there were to be good business worked to England. It seems that Australian shippers are still pressing their supplies, and nearby positions are selling at 3 to 4¢ under No. 2 Manitobas.

Generally speaking the foreign demand continues very disappointing, and during the month of January Canadian exports of wheat and flour were only 9 million bu. Argentine shipments for the week were posted this morning showing that 1,679,000 bu cleared. This was about in line with expectations. Australian wheat shipments were about the same as last year, and amounted to 2,835,000 bu. Our market, unable to derive any inspiration from abroad, drifted about much like a boat without a rudder, and finally weakened in sympathy with the sharp break at Kansas City and weakness in Winnipeg, which carried their prices to the lowest of the season.

At the end of 1935 Chicago May wheat closed at $1.01 1/2, or somewhat higher than the present level. A month prior to that it was selling for 98¢, and on November 1, the same, so that fluctuations have been extremely narrow during the intervening period. No doubt quiet markets in Canada and continued imports from that country have acted as a restraining influence. Had it not been for the Canadian policy last year which restricted exports through an artificial holding of price values, we believe everything would be different today. During the crop-year 1934-35 actual exports from Canada amounted to only 165 million bu. The policies of the previous Administration prevented a more normal outflow from that country. Compared to the seven years just preceding that period, Canada had exported on an average of 265 million bu, or actually 100 million bu more than was shipped last year. As a result there was a large accumulation on August 1, 1935, which added to last fall's failure crop made the total supplies available for 1935-36 actually 492,275,000 bu. During the first six month period, from August 1, 1935 to February 1 of this year, Canadian actual exports were 110,529,000 bu. After deducting home requirements, this would leave available for export and carryover nearly 272 million bu. It would mean, if Mr. Broomhall's figures were to be realized, that there would have to be shipped each week 6,230,000 bu, which, of course, is not being accomplished at the present time. Should that occur, it would finally leave Canada with a carryover of 110 million bu.

Now coming to our own country, we ourselves feel secure in the belief that no domestic shortage exists, and that finally we will carry about as much into the next crop as was carried into the past one. Much is heard about the small stocks in farmers' hands, particularly in the central states. We analyzed in previous market letters this situation after the government made public its figures on basis of January 1 returns. We showed at that time that Kansas, Oklahoma , Texas and Nebraska, which produce the hard variety of wheat, had only 28 million bu left compared with 35 million bu in 1935; but the four large soft winter wheat states: namely, Ohio, Indiana, Illinois and Michigan, had about 31 million bu compared with about 32 million bu the year before, or virtually the same. A great surplus remained in the spring wheat territory, with North Dakota, South Dakota, Minnesota and Montana actually having 57 million bu of wheat left versus 32 million bu in 1935. Of course in the latter states probably 20 million bu will be needed for seed, so that no extravagant surplus will be left in that territory. But as far as the soft winter wheat states are concerned, there have been no excessive receipts due to the cold weather and heavy snows, and therefore we are inclined to believe that when a movement starts again it will affect more the May wheat future in Chicago than the deferred months. Possibly the anticipation of this has been responsible for

(O V E R)

the narrowing of the spread.

Primary receipts today were 161,000 bu compared with 131,000 last year. Stocks so far at Minneapolis, Kansas City and Duluth show a total decrease of 397,000 bu. Canadian country marketings were 145,000 bu versus 241,000 bu last year.

The local element was responsible for the early weakness, bu after prices went lower stop-loss orders were uncovered and a few liquidating orders entered the pit. The fact that cash markets we still so dull added to the general discouragement.

Corn held relatively firm, although declined partially. The cash basis was steady to 1/2¢ per bushel lower. Included in the Argentine shipments this week was 496,000 bu of corn destined for the United States; we believe due to their relative cheapness th we will again import some of their supplies this year.

Oats and rye were influenced by the more pessimistic feeling which prevailed in wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 8, 1936.

Liverpool followed declines in North American markets yesterday nd the close was at recessions of 3/4 to 7/8¢ per bu. May wheat ver there is now selling pretty close to 90¢ and the July future is omewhat higher, so that our new crop deliveries are not terribly ar out of line for export trade after harvest.

Broomhall claims that the disappointing Oriental demand has upet calculations, and the low price of rice this year in China and he unfavorable exchange rate has checked the demand for wheat. This as been reflected in the larger proportion of Australian shipments eing destined for European ports.

It is thought that possibly world shipments on Monday will be omewhat larger than of late; this is due to the fact that the rgentine cleared more wheat during the past week and there were lso moderate shipments from the Black sea; but in any case nothing approaching the 11 million bu quantity will be reached, and from that point of view it is surprising how easily Europe is faring on small rations.

Our market opened at practically unchanged levels, the May wheat actually being somewhat lower, but the deferred months rose slightly due to the almost unprecedented cold spell which prevails in parts of the Texas panhandle, western Oklahoma and western Kansas. The snow covering is rather scanty over a good many districts of that territory, and from the reports which have come to hand so far it is likely that apprehension now being expressed will partly be borne out by fact, because the crop in western Kansas, for instance, went into the ground under none too favorable conditions, and, therefore, cannot withstand great hardships. According to the long-time weather forecast severe cold is apt to be with us during the beginning of the week, followed by moderation and probably no severe temperatures thereafter, with frequent snows likely.

It will take several weeks yet until growing weather sets in before actual damage can be determined. It is fortunate that the winter wheat acreage was large at the start, and that therefore even a somewhat higher than normal abandonment would not preclude the possibilities of farmers still having good crops.

Trade was somewhat larger yesterday and nearly 20 million bu were handled in the various pits. The open interest in the May future declined again. The total amounts to slightly more than 75 million bu, which, of course, is still quite large.

Chicago stocks are decreasing each day and 17,000 bu were reported sold from this market again today, but we continue to feel that there will be ample supplies here for delivery purposes on May 1st.

Primary receipts today were 239,000 bu compared with 172,000 bu last year. Decreases in stocks were shown at both Kansas City, and Minneapolis, amounting to 454,000 bu so far this week. Country marketings in Canada were 118,000 bu versus 244,000 bu a year ago.

After the opening we again entered into a more or less indifferen trade, and with no further weakness in Winnipeg our market became somewhat firmer. At the same time the new buying, while restricted, seemed to center in the deferred months, which closed fractionally higher.

Trade in corn was again limited in nature; it is felt that the cold weather has meant additional feeding to animals, and there seems to be no hedging pressure on the market, although the country movement was possibly a little bit larger. Much will depend now upon the attitude of farmers after the roads are more passable.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 10, 1936.

World shipments this week were quite a bit larger than expected, nd amounted to 11,700,000 bu. In addition to that there was 464,000 u imported into the United States from Canada, making actual clearance somewhat greater. This was the largest in three or four months, and ven though representing business done a long time ago it had a rather epressing effect upon Liverpool, where quotations were weaker, and t the last there were declines of 3/8 to 1 1/4¢ per bu, the severest reak occurring in the March delivery. On-passage figures also showed a substantial increase for the week amounting to nearly 3 million bu. The total is still about 5 million bu smaller than a year ago at this time.

Generally speaking the export business was dull, and new business in Canadian wheat was small, with reports circulating again that additional pressure from Australia was being applied at widening discounts under the Canadian varities. The Winnipeg market, in view of the above news, ruled weak, with new low quotations for the season. This in turn affected the domestic markets likewise, and it seems that great discouragement has taken place again.

In an analysis of Canada, we find that the situation has changed little from what it was several weeks ago. The visible supply is practically as large as it was a year ago, amounting to about 245 million bu. In addition, there is claimed to be about 27 million bu of wheat back on farms, and slightly less tha n 4 million bu in transit throughout western Canada. The only deficiency as compared with a year ago is about 21 million bu less on farms. Therefore country marketings from now on will be interesting to watch in an effort to see whether or not the crop had been under-estimated by the Dominion government.

We figure that in the seven months from July 1st to the end of January the United States imported about 30 million bushels of Canadian wheat. These figures are compiled by taking the official Government figures for July, and the revised figures from that date forward by Sanford Evans, on which basis it will be seen that we are absorbing a very great load from Canada. This will no doubt continue until another crop is harvested.

Primary receipts toda y were 235,000 bu compared with 205,000 bu last year. The visible supply decreased 2,148,000 bu; this was larger than of late but smaller than a year ago at this time. There is still a total in various reporting points of 62,075,000 bu, or only about 5 million bu less than was carried at the corresponding period of 1935. On this basis it is likely that we will finally catch up on last year's stocks.

As the session progressed it became very obvious that new buying was almost entirely absent. Furthermore the market evidenced the fact that there was apparently no appreciable short interest, with the result that declines occurred rather easily when liquidation set in.

The spread between May and July wheat narrowed considerably. Chicago grain stocks, which decreased 259,000 bu for the week, are still 7,220,000 bu. This compares with 4,733,000 last year. It was reported today that 16,000 bu of wheat had been sold from this market, which is possibly a little bit smaller than quantities which were sold during last week. Should there still be 5 million bu of wheat here on the first of May, it would be our opinion that even more of the premium for the near-by delivery would vanish as compared with the deferred months. Later on when the roads become passable receipts to this market might also increase.

Trade in corn was light, and little interest is being displayed in this commodity at the present time. On Saturday hardly more than one Million bushels changed hands. The visible supply decreased agai to the extent of 356,000 bu, and the total in all positions only amounts to about 6 million bu. As long as this situation continues, and no stocks are accumulated, we doubt whether the market can break much except in sympathy with sharp declines in wheat.

The oats visible decreased but slightly. There is still twice as much of this commodity at terminals as there was a year ago, but apparently there are few trading incentives to interest the outsider.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 11, 1936.

Liverpool was weak this morning influenced by the sharp break ere and at Winnipeg. The fact that foreign exchanges were also elatively weak as compared to the dollar was a factor; and at the lose the foreign market suffered losses from 1 1/8 to 1 3/8¢ per bu.

It was claimed that lower offerings on part of Canadian exporters ailed to bring about any special increase in the volume of business; ut on the contrary it developed a keen competitive situation between anadian and Australian sellers. Despite the crop failure this year n the Argentine, and the fact that the United States had no surplus o export, it is surprising how world importers appear to be so little oncerned, as to prospective supplies. It is true that on February st world wheat stocks were estimated to be about 300 million bu maller than a year ago, and one would imagine on that basis there ould be more than simply a hand-to-mouth accumulation. Nevertheless inancial conditions abroad do not seem to dictate a policy of anticpating future needs far in advance. Possibly there is the reasoning hat crop failures are just as scarce as bumper crops, and that Canada, hich for the last three years had produced poorly, might not have a epetition this coming year. Likewise in the United States, it is ot probable that both the winter and spring wheat districts will be isited with drought and rust, as was the case a year ago. We are Loath to ponder what might have occurred this year had there been average crops either in the Argentine or in North America. One aturally wonders what the future holds forth should North America produce normal crops this coming year.

When at present there is such keen competition for the sale of grain, we must put ourselves in the position of exporters next July and August if winter wheat yields turn out according to present indications. A good many nations have learned that accumulations are not healthy, and that the best method of aiding markets is through normal distribution. Neither Canada nor Argentina have continued their artificial efforts to withhold surpluses from the market, despite the fact that both countries have a minimum price paid to the farmer.

We feel that finally there must be a normal relationship between Chicago prices and those in Winnipeg if we are to best serve thefarmer's interest. Ordinarily the largest portion of our export business is consummated during the first three months of the crop movement. After that period grain is apt to move inward and it would not be as accessible for shipment abroad.

Primary receipts toda y were very small, amounting to only 146,000 bu. Minneapolis stocks for three days decreased 100,000 bu, with Kansas City showing no net change for a single da y. Comparisons are not available with last year, as a holiday was being observed at that time. Canadian country marketings were light at 74,000 bu versus 261,000 a year ago.

Our market fluctuated within rather narrow limits; early weakness was quickly dissipated after it became apparent that Winnipeg was able to stage a recovery of about 1¢ per bu from a new low on this year's crop. While new pressure was extremely light there was some selling early in the session, probably due to a bearish carryover feeling from yesterday. The close, however, showed an advance of about 3/8¢ per bu.

The open interest in May wheat wheat yesterday declined slightly more than one million bu, while the reverse was true of the deferre months. We believe there has been closing out of some spreads and that new buying is coming mostly into the July delivery.

The weather was not much of a market factor, although temperature in the Southwest had moderated, and in the extreme westerly sections of Kansas there is very little snow covering. On the whole there is not much apprehension, although more will be known in a few months when growing weather sets in.

Corn was rather dull; trade hardly picked up despite the fact that more activity ruled in wheat.

There was only a small trade in oats and rye, and yet the latter cereal was very strong. Yesterday's total trade in both oats and rye amounted to less than one million bu; and therefore it can be seen that sharp fluctuations in this type of market are brought about by rather moderate sized orders. The trend is not easy to determine, although many people feel that rye has merit because it is cheap compared to the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO February 13, 1936.

While domestic markets were celebrating a holiday there was sharp upturn at Liverpool, following several sessions of declines. he advance was attributed to less favorable weather in Europe, and nis in turn induced buying of cash wheat, which immediately affected ash markets in both Australia and Canada. Some authorities claim nat as much as 2 1/2 million bu of wheat was sold yesterday from arious Canadian positions, and this created a much better feeling in itures markets throughout the world. When traders came to work this orning they found that the highest prices abroad had not been quite aintained, and at the close Liverpool showed an advance of 1 1/2¢ per u for all months.

Russian shipments this week were on a smaller scale and amountd to only 288,000 bu, while Argentine estimated shipments were placed t 1,102,000 bu, which was smaller than last week and only a trifle as ompared with last year.

Our market opened firm but best prices were obtained shortly fter the opening. In view of snows which had occurred during the ast twenty-four hours, and which were rather widespread, a bearish eeling prevailed in the deferred months and new selling developed, hus widening the spread between May and July wheat. It is, of ourse, still difficult to determine the size of next year's crop. he trade is constantly reminded of the fact that the acreage sown to inter wheat is the largest in a good many years, and that virtually million more acres have been sown in the winter area than during the ive-year average of 1928 to 1932. Consequently if the abandonment is bout normal, which during that period averaged 12.6 per cent, we hould have plentiful stocks when another crop starts moving to market.

In Canada there is probably a larger business being consummated ach day than is generally reported; and the new Board in control of olicies seems determined to lose no opportunity to reduce supplies till further. As of February 7, the visible supply in Canada amountd to about 240 million bu, which was much the same as a year ago. his included everything except stocks in farmers' hands and in transit he visible supply in the United Kingdom was possibly 5 million bu maller, and on passage stocks also about 5 million bu less; but aparently importing nations are not trying to build up large reserves, nd therefore buying is not constant. England seems to be about the nly nation of the European importers which takes uniform amounts of heat and flour; and so far on this crop they have just about kept ace with a year ago, showing that the price does not have much to lo with actual consumption. The same, however, is not true in other ountries where financial conditions play a more important part.

Primary receipts today were 205,000 bu compared with only 10,000 bu last year. Stocks at Minneapolis and Kansas City showed a otal decrease so far this week of 259,000 bu. Canadian country marketings were extremely light, at only 85,000 bu against 259,000 bu a year ago.

In looking over the trade of last Tuesday we find that the open interest in May wheat decreased 839,000 bu, while in July and September here were increases of possibly half as much. There does not appear to be quite the assurance that May wheat will sell at tremendous premiums over new crop deliveries, as was the case a few weeks ago. On the other hand some inspiration came to bulls when further hedges were removed this morning apparently against flour sales. As long as there are no large supplies of flour in the hands of retailers, it is hoped that whenever these are replenished that a better demand will spring up. This has been expected now for several months, but up to now buying was just on a hand-to-mouth basis.

Without further excitement in Canada, our markets here became rather dull again; in fact, with some of the advance obtained in Winnipeg during the holiday actually lost, a rather indifferent trade was again established. Final prices showed an advance of 5/8¢ per bu for the May wheat, while other months were hardly changed.

Corn futures were firm while the basis was a little easier. Primary receipts amounted to 609,000 bu versus 243,000 bu in 1935. It took but few buying orders to bring about somewhat higher prices.

There was very little feature in either rye or oats, only nominal changes taking place, but both markets ruled firm to slightly higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO February 14, 1936.

The bullish enthusiasm in Liverpool was short lived, and much of the advance attained during Wednesday's holiday has again been lost. The weakest future is the March delivery, which actually closed 3/4d lower; and this is due to further liquidation based on the fear that deliveries early in March will be heavy. Broomhall states that millers are absorbing arrivals very slowly, and that there have been large Australian wheat shipments to the United Kingdom. Argentine shipments this week were only about one million bu, and a large part of this was destined for Braxil, but Australia put 3,082,000 bu afloat, of which roughly two-thirds were for European countries. It seems that European buyers have now regained their composure; and the assurance that Canadian wheat will be available probably is causing the hand-to-mouth buying. There can be no doubt but that the Canadian policy should finally be both helpful and sound in reducing surpluses, but in order to bring about a situation which will benefit the future price level, it is apparently necessary to do a certain amount of advertising and to assure the European millers that they can cover their requirements of practically any size without too much sacrifice. By this we do not mean that wheat is being unnecessarily forced upon world markets, but, at least, Canada has emphasised her readiness to meet practically any reasonable demand. Therefore the inducement to lay in big supplies is lacking.

It is now thought that the goal set by Broomhall for Canadian exports will probably not be reached. To-date there have been ocean shipments of nearly 75 million bu, and probably an additional 12 million in the form of flour together with 29 million bu of wheat for United States' consumption, part of which is milled in this country in bond. In other words a total of 116 million bu, which after deducting home requirements, leaves a balance available for export and carryover of around 266 million bu.

As far as Europe is concerned the latest estimate on wheat production for 29 countries, exclusive of Russia, shows that there was precisely as much wheat raised last year as during 1934. During the 7-week period from August 1st to February 8th world shipments averaged ,698,000 bu. If Mr. Broomhall's estimate of requirements is to be fulfilled during the remaining 25 weeks, world shipments to Europe and ex-Europe must average 11,125,000 bu per week. It remains to be seen now whether the total export requirement figure of 540,000,000 u will not have to be revised somewhat downward.

Primary receipts today were 213,000 bu compared with 119,000 bu ast year. Stocks at Minneapolis, Kansas City and Duluth so far this eek show a total decrease of 474,000 bu. Canadian country marketings were only 87,000 bu versus 273,000 bu in 1935.

There was never at any time much weakness, but on the other and fluctuations were narrow, and most of the firmness in wheat was erived from corn. Some apprehension was expressed by southwestern perators, who called attention to the continued cold weather, beause in parts of the western districts of Kansas, Oklahoma and Texas great many bare spots had been subjected to possible damage. It as also claimed in these restricted areas that high winds were beginning to cause fears that the dust storms of last year might be repeated. There is no doubt in our mind that a great many crop scares till must be faced. With that in view, we believe that the open nterest in July and September may continue to grow, while liquidation f May contracts may also be anticipated. The total open interest is ow in the neighborhood of 104 million bu, which is showing a shrinkge, and apparently there is not as much confidence as existed earlier. esterday practically one million bu of May wheat contracts had been losed, while there were gains in the later months. This brought bout a slight narrowing in the spread between May and July wheat, nd with the continued indifference of demand for cash wheat, we hink that this tendency will keep up.

Corn was firm from the start, and further gains were easily attained without a large volume of trade. There was a little more nterest in the pit during the last two sessions, but on the whole here is not much spirited buying. It is felt, however, that the old weather has meant quite an additional feeding demand, which, f course, is difficult to reckon in actual percentages.

Oats and rye were quiet. The chances are that with rye cheap ompared to other cereals, the demand for distillation purposes has een better than generally acknowledged.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO February 15, 1936.

Cables were firm this morning, in fact a shade higher, but on the whole foreign demand for wheat has subsided for the time being, and, according to Broomhall, English millers remain indifferent due to the fact that flour sales are disappointing. World shipments on Monday will depend largely upon how much wheat was cleared from Canada, other countries having furnished 5,472,000 bu of which the bulk came from the Southern Hemisphere where shipments are probably at their peak.

One of the market incentives yesterday was the extremely cold weather which prevailed over many Southwestern sections, and there was no change in the character of news overnight. The weekly forecast suggests cold practically all week, although our own weather man believes that slight moderation may be experienced with some chance for snow even in Western districts. Reports of damage are being heard somewhat earlier than usual; but of course no living being can tell what is actually happening to the plant while it is still in the dormant state. From past experience, we know that abandonment is somewhat heavier when severe winters occur, but this again is a relative matter depending upon snow protection and the damage done in the early spring, when intermittent thawing and freezing sometimes cause heaving of the roots.

While the trade generally has been extremely dull, certain things have taken place which, because of the slowness, were possibly not apparent to casual observation. The open interest in May wheat has decreased rather substantially, and since the first of the year it has declined nearly 18 million bu. As of yesterday, there were 71 million bu of May contracts open, and in July wheat there has been an increase of nearly 6 million bu since January 1st, the total now being slightly in excess of 28 million bu. It is our belief that should any new buying come into the pit it probably will be the deferred months, since these reflect new crop conditions, while May wheat will tell the story of demand as pertaining to old supplies.

The milling business has shown some improvement during the last few days, and while claimed to have been extremely quiet, the January flour output showed a substantial increase of nearly 6 per-cent over a year ago, according to reports of merchant mills to The Northwestern Miller. Many people who had been bullishly inclined were awaiting revival of the milling demand, but evidently it was better than generally acknowledged and apparently hedges were easily covered due to the fact that liquidation of long contracts took place.

Primary receipts today were very light and amounted to only 134,000 bu compared to 118,000 bu last year. Stocks at Kansas City and Minneapolis together decreased 469,000 bu and there will be a fair shrinkage in visible supply stocks on Monday, which is general at this time of the year.

There was no feature at all to our market, and not only were fluctuations limited, but at the close net changes from the previous session were almost negligible.

Winnipeg held fairly firm, and they seem to be doing some export business right along, while the movement from the country is light, probably due to the extreme cold. At the time the Argentine government raised prices 19¢ Europe bought very heavily, and it seems that this wheat contracted for at higher prices is partly in process of being shipped, but probably not all of it yet placed.

Corn furnished no excitement, and the early advance was not held. It is believed that extensive feeding is taking place because of the cold weather, but some operators are looking forward to a larger movement from the country after roads thaw out. At the better level of prices which have existed, bookings to this market were slightly more liberal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO February 17, 1936.

Lower prices at Liverpool this morning were indicative of the oor demand, and English millers still claimed that the present in-uiry was insufficient.

World shipments this week amounted to only 9,357,000 bu, which as a sharp shrinkage from a week ago, and was also smaller than last ear. In spite of this, stocks of wheat on ocean-passage increased bout 2 million bu, and they are now nearly as large as they were in 935. No doubt stormy weatheris somewhat responsible, as it delayed arivals on the other side and hindered unloading.

Liverpool prices closed weak showing declines from 3/8 to 3/4¢ er bu. This had a somewhat depressing effect upon sentiment here, ith the result that further liquidation was in evidence.

Our market is badly in need of a new stimulant to break the ate monotony, as fluctuations each day have been trifling; last Saturay there was less than 4 million bu of wheat actually traded in the it. A good many bullish operators have contended right along that he maintenance of dollar wheat was logical. They based this contenion upon the fact that carry-over supplies have been partially corected. They point to this year's crops in North America, which were ar from satisfactory both as to quantity and to quality. We have not greed with this view altogether, and have repeatedly pointed out that here was a great desire abroad to become as self-sustaining as possile. Purchases have been on a limited scale, both for financial and oreign exchange reasons. It must be recognized now that importing ountries, with the possible exception of England, have no longer the bsorbing power they used to have. This is partly due to increased creages in Europe, but more so to economies, and a consequent reducd consumption. For several years now we have been somewhat unaffected y this situation, as we did not export any wheat to speak of, and herefore did not have to meet the extremely low prices of other exorting nations. Nevertheless, we were indirectly affected because anada was willing to make certain concessions, and even with the 42¢ er bushel duty she provided certain kinds of spring wheat which were old to the United States.

Much has also been mentioned about inflation, particularly ince it has stimulated a great deal of buying of securities. All sign ake it almost a certainty that more inflation will gradually be felt. he gold production in the United States has increased 16 per cent durng the past year, which makes it almost double the value of gold based n our devalued dollar. This in itself would give us inflation, not o mention all other items. More gold finally means higher prices for verything, although all commodities will not benefit in the same proortion, particularly those which are influenced by export or import ompetition.

Primary receipts today were 285,000 bu compared with 211,000 a ear ago. Canadian country marketings were 87,000 bu versus 317,000 bu n 1935. The visible supply decreased almost 2 million bu, and the otal in various reporting points now amounts to slightly over 60 milion bu. This is within 4 1/2 million of what total stocks were last ear, and also demonstrates how imports from Canada have corrected the hortage at home. There is still about 7 million bu of wheat in Chiago against about 4 1/2million the previous year. We feel that the ituation as pertaining to red wheat will finally mean sufficient deiveries next May to satisfy holders of contracts. This becomes imortant as time goes on for the final price level will be determined y the wheat which is least wanted, and which, no doubt, will be caried into the next crop.

(OVER)

The market was influenced at times by the weakness of utili
stocks after the High Court handed down the decision on the TVA.
Final prices showed a decline of 3/4¢ per bu for the May wheat, whi
the deferred months held relatively firm, and declined only about 1
per bu.

Weather was cold, and there is no change in sight for the n
forty-eight hours, which brought in some buying of the later delive

Corn for the greater part showed stubborn resistance to the
decline of wheat, and this cereal was influenced by a decrease of
about one million bu in the visible supply. Total stocks now in al
positions are less than 5 million bu. The Department of Agriculture
placed the disappearance of corn in the United States during the la
three months of 1935 at approximately 645 million bu, or about 30
percent of the 1935 estimated production. This compares with 859
million bu, or almost 40 percent, for a similar average period for
five years from 1930 to 1934.

Trade in rye and oats was small. On Saturday there was les
than one million bushels combined volume of these two cereals in th
respective pits. The weakness in rye followed declines of the lead
ing cereal.

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CHICAGO MERCHANTILE EX.

CHICAGO February 18, 1936.

News from abroad was anything but encouraging today with reports continuing to tell of the poor demand both on the Continent and in the United Kingdom. Renewed liquidation was a feature in Liverpool March wheat, with Australian shippers keen sellers and millers very little interested despite the decline. The close showed a rather sharp break, in terms of American money the decline amounting from 1 5/8 to 2¢ per bu, part of this being attributed to a lower Sterling value. It seems there are a number of factors on the other side which possibly the casual trader here does not fully apprehend. First of all, there is more concentration of buying power in a comparatively few countries abroad than in many years. Formerly, when the range of buying countries was larger, there was always the chance of some country stepping in when another country had finished its buying; but at the present time, with virtually only three or four countries which still may be termed real importers, the requirements seem to be completed at about the same time and, fortunately, most of the purchases are made in large quantities often over a period of a single day or two. This occurred, for instance, after Argentina advanced her price to the farmer about 19¢ per bu overnight, when suddenly European buyers took fright and bought very heavily in Canada. It was thought at the time that as much as 20 million bu of wheat had been contracted for, but apparently after they were able to get their supplies with extreme ease there were no other countries which could step in to fill the gap.

It has been noticeable that a good part of the Canadian wheat which was purchased at a higher level of price has not yet found a final resting place, and this probably is accounting for the poor European demand at this writing. Despite the fact that Argentina is practically out of the picture, there are a number of smaller countries which under normal circumstances might never have become exporters, and from such unexpected quarters the weekly shipments are being augmented to almost normal requirements. This situation is affecting the price structure in Canada where declines occurred again today to almost the lowest levels of the season. While it is true that we are not exporters of wheat, nevertheless we pointed out yesterday that indirectly we are affected, as any break in Winnipeg to which we do not respond would probably mean that greater imports into the United States would result. Such business does not exist on an enormous scale in any particular day, yet the aggregate business is sufficient to finally place a definite weight upon the market in a rather insidious manner. Otherwise it would be difficult to account for the general indifference, but inasmuch as there probably will not be an immediate change in the situation, we would not be surprised if the general tendency of our old wheat contract, namely, the May, would gradually continue lower. The open interest yesterday was little changed on the nearby month, although the deferred futures showed an increase of about 3/4 million bu. There is some buying coming into the new crop futures based upon cold weather and reports of insufficient moisture west of the 100th meridian.

Primary receipts today were light and amounted to only 138,000 bu compared to 143,000 bu last year. Stocks at Minneapolis and Kansas City decreased 295,000.bu.

Canadian country marketings yesterday were only 106,000 bu versus 334,000 last year. The comparison is a poor one, but with thermometer readings as low as they have been over western Canada it is surprising that even this much grain is hauled to market.

Toward the last there was some buying of May wheat against sales of later months, which widened the spread slightly. A general recovery took place when Winnipeg and Minneapolis regained some of their early loss. However trade was light with no particular feature.

Corn is gaining more friends due to continued cold weather; demand, however, is not sufficiently urgent nor is there enough outside support yet to create great confidence.

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CHICAGO MERCHANTILE EX.

CHICAGO February 19, 1936.

Prices at Liverpool reacted after yesterday's break, and at the close today all of Tuesday's losses had been recovered. July wheat in that market is selling around 92¢ per bushel, and this is not as attractive a premium over our new crop delivery as existed a few weeks ago, but still a better parity than there has been for several years.

It seems that the cash demand abroad improved overnight and millers have taken some Canadian wheat, which brought about short covering. There was also a better milling demand domestically, and this was responsible for a better sentiment and generally more confidence. The nearby deliveries in all markets were the most influenced by the improved trade, while the deferred months were more or less neglected.

The government weekly crop report is somewhat vague in its resume, and of course before growing weather sets in it is almost impossible to determine the extent of damage. Comment is made, however, that grains continue well protected in the winter wheat belt, particularly from Northern Missouri and northeastern Kansas northward, but in the Ohio valley conditions were not quite so favorable. It also went on to say that there were a number of bare spots throughout the Southwest, or at least a good deal of ground which was only thinly covered by snow. Cold weather has prevented much growth of grains, even as far south as Oklahoma and Texas, but there the conditions remain mostly fair to good, except for a rather general need of moisture. Taking it all in all we should say that the soil condition is ever so much better than it was a year ago, and if we get timely rains during the growing period, there is still every indication that we ought to have an average harvest. On the other hand everybody knows that there are a great many vicissitudes still ahead and that because of the extremely cold weather there will probably be more than average complaints within the next six weeks.

It is our opinion, therefore, that regardless of the final outcome one should not become too enthusiastic about selling July and September wheat at present discounts. Local sentiment is of the opinion that if it had been difficult to maintain the dollar level this year, after three successive short crops, then it would almost be a certainty that good yields next year would force a lower level of prices. Possibly this will finally be borne out by fact; but inasmuch as there are no excessive supplies anywhere, the demand for early arrivals should prove satisfactory, particularly if there remains a sharp drop-off between the price of May and July wheat, which in all probability, would make a good many buyers await supplies from the new crop.

Primary receipts today were 161,000 bu compared with 96,000 last year. Stocks at Minneapolis and Kansas City show a decrease so far this week of 553,000 bu. Country marketings in Canada were quite light yesterday, at 93,000 bu versus 316,000 a year ago. However low temperatures no doubt had a bearing on the amount which farmers could haul.

Our market was firm practically from the start. With receipts so light millers have had to come more to terminal markets for their supplies, and Chicago has sold rather good quantities of red wheat during the last few sessions. This lent encouragement and the local element entered into spreads by way of purchases of May against sales of July, which widened the difference rather considerab during the last two days. Some reaction in May wheat took place, however, when Winnipeg failed to follow our full advance. There is still 26 million bu of Canadian wheat in bond in this country, and when our market gets out of line with Winnipeg millers can pay duty on this wheat, after which it goes into domestic consumption. Durin the past week 608,000 bu paid this duty and the importation of Canad grain is being handled in that manner.

Corn, as well as other cereals, failed to show much enthusiasm, even when wheat ruled strong. Reactions took place late in the session when the leading cereal lost ground.

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CHICAGO MERCHANTILE EX.

February 20, 1936

There was evidence of an improved sentiment abroad yesterday, nd this was again manifested in today's market, Liverpool finally howing an advance of 3/8 to 1 1/8¢ per bushel. The greatest strength as in the March delivery, which also lent encouragement to our market, s this indicated a better inquiry for actual wheat.

Black sea shipments this week were very trivial and amounted to nly 192,000 bu. Argentine shipments were estimated at 1,286,000 bu, nd we presume that a good part of this wheat will go either to Brazil r to non-European countries. Therefore there is no reason to assume hat without greater pressure from Canada, foreign prices should become very weak. The Argentine crop this year was 100 million bu short f last year's yield, and the total amount raised hardly exceeded a ormal crop in Kansas; consequently there is not likely to be too much ressure from the combined sales of Australia and Canada.

Besides these factors there is also the foreign crop outlook, hich is less optimistic than it was a year ago, with some complaints rising in France where excessive moisture is now occurring after the ecent cold wave. The French government has discontinued export sales f wheat, although these had previously not been large.

Our market responded to the higher cables this morning and to the lightly better demand for Canadian wheat with the result that May heat was again better supported than were the new crop futures. At he same time the local element is watching very closely the relationship between Winnipeg and Chicago, because any extreme advance here ould easily bring about further imports, and this is the one factor hich has prevented a real bull market during the entire season.

As far as Canada is concerned, she is doing a better business under the new management of wheat officials. The present visible supply is still 235 million bu and shows a reduction of about 9 million u from the previous year. There is also about 20 million bu less wheat on farms, according to the last estimates, so that it appears s though the Canadian carryover on August 1 would be substantially reduced from the 214 million-bu figure which obtained last year.

Sentiment still remains bearish on July and September wheat, the feeling being prevalent that with the ample snow protection over a large area, a good crop is assured this summer. The situation in the Southwest, while not alarming, is quite different from what it is around here; and many sections of western Kansas and Oklahoma have insufficient snow or moisture to prevent crop scares unless the situation changes soon. With this in mind we cannot become too bearish on the deferred months, and believe with the substantial short interest that temporarily at least commitments of this kind are not too safe.

Primary receipts today were identical with last year, and amounted to 194,000 bu. Stocks at Kansas City and Minneapolis show a decrease so far this week of 645,000 bu. Country marketings in Canada amounted to 90,000 bu versus 333,000 last year.

There was again a very quiet trade, but about the same type which we have experienced for the past few weeks. The early firmness in May wheat was maintained to the last, showing an advance of 5/8¢ per bushel at the close, while the deferred months were about unchanged.

Traders in corn are disappointed because of the market action. Many had figured that due to cold weather increased consumption would bring about a higher price level, but so far this has failed to materialize; therefore some of the recently accumulated lines were sold, although of no great volume.

Oats and rye furnished no special feature and these cereals fluctuated within extremely narrow limits.

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CHICAGO MERCHANTILE EX.

CHICAGO February 21, 1936.

Liverpool wheat prices were somewhat lower this morning, the decline ranging from 3/8 to 5/8¢ per bu. This was undoubtedly occasioned by larger shipments from Australia, which were over twice as big as they were a year ago; and this country together with Argentina furnished a total of 5,791,000 bu, even though clearances from the Argentine only amounted to 1,269,000 bu. There is very little grain coming out of Russia, except a small amount of barley from time to time. However it seems that Canada and Australia are in a position to furnish sufficient quantities, at least, for the time being to importing countries. Therefore Liverpool prices around the 90-cent level seem to offer some resistance to sharp upturns.

The chief obstacles to advances in our country are the lack of outside buying power coupled with continued imports from Canada; the latter is more of a factor now than ever, as Winnipeg today sold at the largest discount under Chicago so far this crop season.

While it is not likely that there will be any major upswings in European markets as long as Canada continues to sell wheat so freely, still there is the fact to be considered that European crop news is not at all reassuring. In France, excessive moisture is again reported with roots close to the surface; therefore, final yields abroad will bear close watching from this time forward. Continental stocks are generally low, and Great Britain is still the one country obliged to buy regularly, which is more or less of a sustaining factor to the world wheat situation. As Broomhall points out, Liverpool May wheat is now about 7¢ per bu over Winnipeg, which is a better relationship than has existed previously.

As far as domestic markets are concerned, they are influenced on the one hand by the action of Winnipeg, because we cannot permit our price to go too far out of line, otherwise a good percentage of the bonded wheat in this country might pay duty and then go into domestic consumption. On the other hand, there appears to be a revival in the flour trade; and according to the Northwestern Miller, takings last week were more optimistic than for some time. It seems that the actual need of flour rather than the bullish turn has induced buying; and this was particularly true amongst southwestern millers, who sold 91 per cent of capacity last week compared with 38 per cent the previous week and only 35 per cent a year ago. The northwestern mills did not make quite as good a showing, but sales were also improved. Possibly this is the reason why Kansas City has been gaining somewhat on Chicago; and in our opinion such a tendency will keep up, because stocks of hard wheat still left on farms are extremely small.

Primary receipts today were a little bit better and amounted to 252,000 bu, whereas there was a holiday last year. Stocks at Kansas City, Minneapolis and Duluth so far this week show a decrease of 788,000 bu. Canadian marketings were 106,000 bu versus 346,000 in 1935.

There was slightly better support in July and September wheat, and possibly this was due to the Modern Miller's crop report, which claimed that increasing apprehension was apparent, especially in western Kansas and Oklahoma, where there was lack of moisture. We have felt right along that until more was known of the crop that short sales of the deferred futures at present discounts might not prove too safe, as there are bound to be many scares ahead.

Closing prices were little changed from the previous session, and fluctuations again were extremely narrow, indicating that new incentives are necessary to pull us out of the present rut.

Corn was slightly lower, and with moderating temperatures it was felt that feeding would not continue on an expanded basis. There were also heavier bookings to Chicago, and while actual pressure was not great, still there were a few local traders who preferred to sell their holdings and await new developments over the holiday.

Oats and rye furnished no feature whatsoever;and it seems that without swings in either direction nobody is willing to make new commitments. This may change, however, if demand for these cereals shows further improvement.

UHLMANN GRAIN CO.

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CHICAGO MERCHANTILE EX.

CHICAGO February 24, 1936

Liverpool was quite strong over the holiday and healthy advances
ounting to about 2¢ per bushel were registered at the close of their
rket today, in spite of an increase in quantities now on passage for
rope and also larger arrivals in the United Kingdom.
World shipments amounted to 11,758,000 bu. which was quite an in-
ease over last week, and even larger than last year. North America
d furnished nearly 5 million bu. of this quantity, and it shows that
der the new management in Canada business of a fairly substantial
ture is taking place. There were even some smaller quantities
rnished by countries such as France, Poland and Lithuania; and appar-
tly prices now being paid are satisfactory to European growers. It
ems that during the past six weeks shipments of wheat and flour from
stralia have amounted to nearly 20 million bu. which is considered
ite a quantity, and this is substituting in part the usual Argentine
rivals, which during an ordinary year are quite heavy at this time.
When our market opened it was influenced by the better tone from
road, and also a number of crop reports which had been sent from the
nhandle of Texas and from the westerly sections of Kansas to the
fect that prevailing dry weather was causing dust storms. This is
e season of the year when crop scares generally start; and in fact
bruary 22 is the calendar day for buying wheat, probably taking in-
account that by that time more attention is being directed to pros-
cts of the new crop than during the winter months. From the best
vice which we have received from our own offices, we are inclined to
lieve that some apprehension is likely. There can be little doubt
at the real Southwest districts have a better outlook than a year
o at this time, but still a great deficiency of moisture exists,
pecially in western Kansas, western Oklahoma and the Texas Panhandle.
braska has had more rains than the other mentioned states, but all
e now depending upon good spring moisture. So many traders
ound this part of the country are impressed with the heavy snows
ich we have had, and which are now starting to melt, that they have
st sight of the fact that the same did not occur over a great many
stricts in western territories; and therefore the question of getting
isture at the proper time will become exceedingly important.
From the reports which we receive from Canada, the Agency up there
ndling wheat was quite willing to furnish exporters with the hedges
ainst sales that had been put through overnight, and while this is a
ry helpful spirit of cooperation, it probably kept that market from
vancing very sharply, which in turn influenced us. We figure that
e actual exports of Canadian wheat, since August 1st to the middle of
bruary, including the quantity sent to this country, have amounted
about 120 million bu., and on that basis there is still a balance
ailable for export and carryover of 261 million bu. With such a
rge quantity it is not very likely that extremely sharp advances will
ke place there, and to that extent the situation differs from pre-
ous seasons.
The visible supply decreased 2,437,000 bu., and the total in va-
ious reporting stations is now 57,662,000 bu. This is only
,724,000 bu. smaller than a year ago at the same time, showing how
nports from Canada have affected us. Primary receipts for two days
re 556,000 bu. against 268,000 last year. Canadian country market-
ngs were 103,000 bu. versus 384,000 in 1935. Despite the rather heavy
ancellations of receipts last week, Chicago stocks decreased only
46,000 bu. The explanation, we believe, lies in the fact that pos-
ibly stocks were shifted from one elevator to another and that the
heat was not actually shipped from Chicago. Should Chicago stocks de-
rease at this rate, or during the next two months a little over 2 mil-
ion bushels, we think that there will be plenty of wheat here for any-
ody desirous of taking tenders on May contracts. Chicago stocks are
ow 6,776,000 bu., and we doubt whether they will be sufficiently re-
uced to warrant the high May wheat premium which exists over the de-
erred months. Last year at this time Chicago stocks were 4,047,000 b
The best prices of the day were not maintained, and at the close th
arket showed advances of 1/8 @ 1/2¢ per bushel.
Corn ruled weak and was influenced by larger receipts in practicall
ll markets. Primaries amounted to 1,285,000 bu. On the other hand,
he total visible stocks are small, and after a decrease today of
59,000 bu. there are only 4,232,000 bu. in all positions. Possibly
armer weather also was an influence.
Oats and rye remained inactive and fluctuations were comparatively
nimportant. The visible supply of oats is still in excess of forty
illion bushels.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 25, 1936.

Liverpool quotations were somewhat mixed this morning, the nearby delivery ruling fractionally higher while the deferred months closed with losses ranging from 3/8 to 5/8¢ per bu. According to Broomhall, Australian offers have been somewhat firmer, and with the decreasing movement from the interior and shrinking visible supply stocks, there seems to be the possibility now that that country will be a less anxious seller. This, of course, is more stimulating to European spot markets than to futures. In any event, there seems to be no great weakness abroad; and with stocks not excessive, there is the hope, just as there is in this country, that larger flour bookings will prevent drastic declines.

Our market opened firm and with no new pressure at the moment it seems that small buying orders easily influence prices. The period into which we are now entering is one of general nervousness, because a great many self-appointed crop experts go into the country and many of them send in their own observations, with the result that sensational news generally bears more weight than conservative statements. That there is some justification for bad reports can hardly be denied owing to the fact that there is quite an area in central and western Kansas, also in western Oklahoma and the Panhandle of Texas, which was less favored with moisture than other sections of the country. While those territories need not be given up as hopeless, still it is a fact that where a deficiency of subsoil moisture has existed because of the drought which prevailed more or less for two or three seasons, it will undoubtedly require ample spring rains to bring about average or better yields. With the realization, during the last few sessions, by some of our local operators that conditions in far off territories were not nearly so promising as the country surrounding the Chicago market, we believe that a little more support has been coming into the deferred futures. There is a combined open interest in July and September wheat of nearly 35 million bu, and since we do not believe any of the new crop supplies have yet been hedged, it also follows that the short interest must be substantial, and, therefore, should crop scares develop there could easily be a continued tendency of narrowing between May wheat and the distant futures.

Primary receipts today amounted to 197,000 bu compared to 113,000 bu last year. So far this week stocks at Kansas City and Minneapolis show a total decrease of 324,000 bu. Canadian marketings in Canada yesterday were 112,000 bu versus 336,000 a year ago. Both in this country and in Canada the movement has probably been held up by the extremely low temperatures and impassable roads, but undoubtedly the worst is past, and from now on the movement should be somewhat larger.

Bradstreet's clearances for the week were quite substantial, with 4,633,000 bu having been shipped from North America. We presume that this is almost entirely Canadian wheat, since practically nothing is being exported from this country. To date North American exports have totaled 107 million bu, and this compares with about 103 million bu during the same period of last season.

Our market was not a very active affair, although as mentioned previously more attention was accorded the deferred deliveries. There continues to be a somewhat better flour demand generally, but as was the case last week, we think when figures are published it will be seen that the Southwest is receiving a relatively large portion of the orders. Should this keep up, we would expect that Kansas City May wheat would gain further upon Chicago. Premiums in that market continue strong, and the demand for hard wheat should remain good in view of the fact that last year's crop in the Southwest, where hard varieties are raised, was almost a failure. It seems that probably the one handicap against sustained upturns is the lack of speculation. The open interest in wheat has shrunk to about 102 million bu, which is quite a bit less than was open a few weeks ago.

Trade in corn was quiet, and receipts appear to be a little bit better now. Here also there seems to be insufficient outside buying power to create any kind of renewed confidence.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 26, 1936.

Liverpool is floundering around much as we are in this country, and with reports that liquidating orders were again apparent in their March wheat, declines were shown at the close, ranging from 1/4¢ per bu for the July future to 1 1/8¢ per bu for the nearby month. This happened despite the fact that shippers were offering more sparingly, and if anything, Canada is holding prices now on a firmer basis. For many months it was predicted that the Canadian carryover would be drastically reduced from the 214 million bu which was on hand the first of August last year. At the present time there are about 30 million bu less wheat in Canada than there were the middle of February, 1935; and this is on the assumption that there is only 25 million bu of wheat still left on farms. To date Canada has exported more than 120 million bu against only 98 million last year, but of this amount about 30 million bu was sent to the United States, the bulk of it paid duty, and, therefore, has gone into domestic consumption.

There is one thing certain, and that is: no great scarcity of wheat exists anywhere in the world. At the same time many of the burdensome supplies have been removed and, therefore, much will depend upon the outcome of crops both in this country and abroad.

Outside of the small remaining stocks in Argentina, due to their crop failure, we find that the world visible supply of wheat, which includes North America, United Kingdom, Argentina and on-passage stocks, is only 29 million bu less in those positions than were carried at the corresponding period of 1935. Since August 1st world shipments have lagged somewhat below those of last year; European countries have taken about 11 million bu less, and non-European nations, exclusive of the United States, about 2 million bu less. This would mean, if Broomhall's estimate of requirements which was tentatively set at 540 million bu earlier in the season is to be met, that during the remaining 24 weeks business would have to pick up very materially. During the 12 months of last season world shipments amounted to about 510 million bu.

Now coming to our own country, we find there is no new pressure upon the market, except liquidation of some old contracts. The open interest declined again about 1 million bu, and is at the lowest point in several weeks. Whether this will change depends largely upon speculative influences and the character of the crop news for the next few weeks. According to the Government weekly weather and crop bulletin, there is nothing new, and conditions in the central states remain fair to good while more complaints arise in the districts of central and western Kansas, where a real moisture deficiency is felt. Not much can be told yet as to whether the extremely low temperatures have done actual harm, but, no doubt, some crop scares will be heard from many areas after growing weather sets in.

Primary receipts today were 202,000 bu against 175,000 bu a year ago. So far this week stocks at Kansas City and Minneapolis show a total decrease of 540,000 bu. Canadian country marketings were a little bit better with the improved weather, and amounted to 144,000 bu versus 369,000 bu. a year ago.

At no time did our market show any great weakness, and with a number of dust storms reported from sections of western Kansas, July and September wheat were again in better demand. The flour business was reported to be fair, but due to lack of any large orders the total volume of bookings averaged somewhat lower than the previous week.

At the close there was a gain of 1 1/8¢ per bushel in the May wheat and 1 5/8¢ per bu in the July.

Corn was also influenced by the better tone in wheat, and present receipts are not at all burdensome; therefore, advances were registered despite an extremely slow trade.

Rye did well considering the sharp break at Winnipeg, where at one time the latter market declined as much as 2 1/2¢ per bu from the previous close.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO February 27, 1936.

The greatest influence at this time of the year is often the
ather, and this is particularly true when domestic stocks are not
rdensome. Yesterday's advance started when supposedly eastern buy-
g found the market rather bare of offerings, and since a great many
aders have been fearful of the dry conditions in the Southwest, ad-
nces were easily attained. There was further encouragement this
rning when Liverpool showed a more responsive tone, but unfortunate-
best q uotations abroad could not hold and at the last there were
clines of 5/9¢ per bu for the March delivery, induced by further
quidation, while the other futures declined just 1/8¢ per bu.

There is noparticular pressure upon European markets. Black
a shipments this week amounted to only 216,000 bu; and estimated
gentine shipments are 1,470,000 bu, which, of course, is trivial
mpared with a normal year, but not small considering the shortness
' the crop. Weather in France has been bad for several weeks and
ntinues showery so that growers are offering very sparingly; the
tlook for their winter crop is conceded to be unfavorable; very
kely a much smaller crop will be harvested than a year ago. It seems
be an endurance fight in which the importer feels that he is bound
win out in the long run, knowing that Canada is an anxious seller
d will finally keep ample supplies on the market in order to attain
r object: namely, that of reducing carryover stocks.

When Liverpool showed such a reactionary tendency it immediate-
had its effect upon Winnipeg prices and the May delivery in that
rket declined about 3/4¢ per bu from yesterday's finish. This in
rn influenced us as it is well known that we cannot have advances
re single-handed because if the difference between Winnipeg and
icago would widen materially be yond the 15¢ basis imports would
come greater.

There is also another fact to be considered, and that is, in
rmer years there was a fair export business at this season which
ant the removal of hedges, and this year the opposite transactions
e taking place and sales for future delivery are being made against
eat which we are importing from Canada. This means that it will
obably require more bull news to advance markets and to hold prices
an heretofore. However, in spite of all these obstacles the 90¢
vel for July wheat appears relatively cheap on basis of the May
ture which is selling about 9¢ per bu higher, and we would not be
rprised to see further buying of the far off months, particularly
there is no relief in the Southwest where subsoil moisture is
aimed to be deficient over a large area of western Kansas and
stern Oklahoma.

Primary receipts today were 261,000 bu compared with 212,000
last year. Shipments, however, were also heavier and amounted to
95,000 bu compared with 322,000 bu a year ago. So far this week
ocks at Kansas City and Minneapolis show a total decrease of
6,000 bu, which would indicate a fairly large reduction in the
sible supply stocks again next Monday. Canadian country marketings
re 157,000 bu today versus 380,000 bu last year.

The only weakness today was in the distant futures, and these
came the target of selling after some early short covering was ac-
mplished. Many in the trade who wanted to stay long the May wheat
cause of the fact that Chicago stocks were decreasing right along
gured that the situation would be quite changed after another crop
s available, and they also concluded that dry weather at the
esent did not necessarily mean actual damage. This resulted in
widening of the spread between May and July wheat of about 3/4¢ per
from the previous close. There were apparently some hedges covered
May wheat, which lent strength; and the open interest in this
ture showed a large decrease yesterday amounting to 656,000 bu.
th Minneapolis and Winnipeg lost on us, and apparently there is
ss enthusiasm in those markets than in Chicago.

May corn eased off slightly without much trade. Some at-
tention is being directed to the bumper crop which is in prospect in
e Argentine. Should the outturn be the largest on record, as is
ticipated, we may be called upon again to import some of this grain,
seaboard points, despite the tariff barrier.

Oats and rye did not change greatly, and new incentives in
ese cereals are necessary before there can be any material swings
either direction.

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DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO February 28, 1936.

Further weakness at Liverpool was due to large Australian ship-
ents this week, which amounted to about 5 million bu. This was
mewhat heavier than last week and nearly double the clearances of
year ago. Broomhall claims that soil conditions in Australia have
nproved owing to the rains, and possibly this has had some effect
on that country's anxiety to sell supplies. In any event there was
ifficient pressure upon the nearby delivery in Liverpool to bring
out a sharp decline, amounting to 1 5/8¢ per bu. Other futures were
t quite so weak, and yet closed 1/2 to 1 1/8¢ per bu lower. It is
w reported that bakers in the United Kingdom have completed their
ying program for the time being, and Australian wheat is pressing
t 5 to 6¢ cheaper than No. 2 Manitobas.

As far as Canada is concerned, she is doing a very fair job of
isposing of the large accumulated surplus. In the first twenty-nine
eks of the crop season actual exports have amounted to 125 million
. After allowing for home requirements, seed, etc., there is still
balance available for export and carryover of about 256 million bu.
the assumption that Canada will continue to clear each week about
5 million bu, as is being done at the present time, there would
a carryover stock on August 1 of about 140 million bu, which is a
eat reduction from the last few years, but still ample for all pur-
ses, especially for a country which requires only 110 million bu
r year for all home needs.

As long as European nations feel confident that there will be no
carcity, and since they are anticipating also that after next July
here may be offerings from the United States, in the event we produce
surplus, there seems little incentive for building up any reserve
upplies at the moment. We say this in spite of the fact that European
creages, outside of Russia, are probably somewhat smaller than they
ere a year ago, at least from reports so far at hand. It is our
eeling that unless we get greater help from abroad, it will be extreme-
y difficult to advance domestic prices very much, provided, of course,
hat there is no tremendous deterioration in crop prospects. With
7,529,000 acres of fall wheat sown, we could still have a large
bandonment and yet produce amply for all purposes. We are still
indful of the fact that certain districts in the western sections
re suffering from moisture deficiency; and therefore a great many
ncertainties still confront us. Even though the crop may finally
rove sufficient, there will undoubtedly be periods of scares which
ill have their influence marketwise, and for that reason caution is
equired until we receive more rains.

Primary receipts were very much the same as last year and
mounted to 264,000 bu. So far this week stocks at Kansas City,
uluth and Minneapolis have shown a total decrease of 1,036,000 bu.
ountry marketings in Canada yesterday were 158,000 bu versus 340,000
u in 1935.

The activity which had developed yesterday apparently did not
arry over, and we had an extremely dull session, with prices in-
lined somewhat lower due to the discouraging cables from abroad.
t the same time prices held within a narrow range, due to the fact
hat there was no new pressure upon markets. May wheat lost slightly
n other months, thereby reversing the trend of the previous session.
e still feel that crop reports will be carefully scanned, and that
hese will afford market swings during the next few weeks.

The corn pit seemed deserted to all outward appearances. There
ere fractional declines, due chiefly to lack of interest. Receipts
re a little bit better now, but supplies are not being built up,
nd therefore more or less firmness still prevails around the 60-cent
evel.

Oats and rye were dull and neglected. The May future in rye
s being influenced by reduction of Chicago stocks.

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DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO February 29, 1936.

There was little in the way of fresh news when our grain market opened this morning. Liverpool was about unchanged for the active futures, while the March delivery closed 3/8¢ per bu lower, and it is expected that there will be ample tenders to take care of longs. The near-by month is now selling at 1 1/2¢ per bu under May, indicating a rather indifferent demand. It is very likely that world shipments on Monday will be quite heavy and probably up to normal in view of the fact that Australian clearances were so large. Indications are that North America may have put about 5 million bu afloat and, therefore, Europe is in a very comfortable position despite the small crop in Argentina and also the fact that no wheat is being exported from the United States. Canada is still in the position to sell large quantities abroad, and according to present estimates, their stocks, including those still on farms, are about 31 million bu smaller than last year, but still in the neighborhood of 257 million bu, which is quite a sizable quantity.

As far as our domestic situation is concerned, there is some wheat moving out of terminals right along, owing to the fact that receipts from the country are extremely light. There are two reasons for this: first of all, farm reserves in the Southwest are small, and in other localities impassable roads have made hauling very difficult. We feel that in the central states there is practically as much wheat left in the country as there was a year ago, and since moisture conditions still remain good, when we get a little further along, farmers may be inclined to sell old supplies, particularly if the difference between May and July remains as great as at the present time. In other words if crop prospects are good, there will be no incentive to carry wheat into the next crop unless there should be indications of a very large demand during June and this, in our opinion, will not occur as June is generally a poor milling month. Dry weather still prevails over the country and this is especially important in parts of the Southwest where subsoil moisture is deficien According to the Atchison report, Kansas stands a chance to reap a wheat harvest of 131 million bu against last year's crop of around 60 million bu. It is claimed that the central third of the state has 7,300,000 acres of wheat which rates from fair to good and has enough moisture for the present. It is the western third, with slightly over 5 million acres, where condition ranges from fair to bad and getting worse because of high winds.

Primary receipts today were somewhat better, and amounted to 307,000 bu compared with 209,000 bu last year. Stocks at Kansas City and Minneapolis show a total decrease so far this week of 1,033,000 bu. Canadian marketings probably influenced by better weather were 211,000 bu versus 217,000 in 1935.

Our market showed no trend in either direction. With no leadership and lower quotations in Winnipeg, there were fractional declines, with a very small volume of business. Crop reports will become a market factor, and this we believe will influence values during the next couple of weeks. Therefore market forecasts at this time are not easy to make.

Corn was firm, particularly the May delivery. Receipts are not at all burdensome, and the primary movement was not a great deal larger today than a year ago, when there was much less on farms. With no chance to build up stocks we doubt whether there will be any serious declines, particularly as the feeding ratio is attractive.

Oats and rye were again neglected, and there was no feature to those markets.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO March 2, 1936

World shipments were very large as had been expected, and amounted to 12,015,000 bu. There was also an increase of stocks on ocean passage of more than 5 million bu, and the total is nearly 6 million bu larger than it was last year at this time. Apparently the assurance that Europe could get ample supplies at least for the time being, caused weakness at Liverpool, where the close showed declines ranging from 1/2 to 5/8¢ per bu. There was continued pressure from Australia, and offerings from that country still remain the cheapest. Tenders in Liverpool March wheat amounted to 480,000 bu; while this is not a very large amount, it appears to be ample in view of the light demand on part of millers.

Ever since last August we have had a more or less active trade in May wheat here in Chicago. A great many people originally became bullish when the 1935 crop outlook both in the United States and in Canada changed for the worse. At that time it was thought that since we would raise insufficient quantities for our home needs finally there might be a very bullish situation developing by next May. At the present time there is still over 66 million bu of May wheat open, which is double the amount of open contracts in July. Therefore it will be interesting to see what the developments will be during the next two months before actual tenders are made.

Chicago stocks decreased the heaviest this week in quite a while; but they still total 6,294,000 bu as against 4,457,000 bu a year ago. It is true, daily sales from this market are being made; however, this is not unusual at this time of the year. We have already seen supplies at Chicago less than one million bu, on May 1st, and yet there were carrying charges from the old crop to the new. Therefore it behooves one to figure out for himself the attitude of the holders of wheat outside of Chicago if May wheat stays at a premium of 9¢ per bu over July, because finally great changes might take place. There is talk locally that several cargoes might be shipped East after the opening of navigation. We have no direct information on this subject, but if an outsider would have to pay 1 1/2 months' storage and other charges before the wheat would leave Chicago, it would appear to be rather an expensive business, and possibly some sacrifice if handled in that way.

As far as new crop months are concerned, one is dealing with a great many uncertainties. It is a fact, however, that the amount of winter killing in the soft wheat states will probably be the smallest in the last ten years, and moisture conditions, if anything, are better in view of the snow protection which was afforded during the winter. Long before the crop actually moves traders may anticipate a situation of this kind, and so by next July the price level might be a good deal lower than it is today. For the same reason we feel that sales of July wheat and purchases of September will prove attractive.

Primary receipts today were somewhat better at 579,000 bu compared with 330,000 last year. The visible supply decreased 3,056,000 bu against a slightly larger decrease a year ago. Total stocks in various reporting points are now only 3,416,000 bu smaller than they were at this time a year ago. With more moderate temperatures, Canadian marketings Saturday were larger, and amounted to 321,000 bu versus 217,000 bu.

Greater activity was again a feature of our market, but with no encouragement from abroad it became apparent that even with a few crop scares being circulated it will not be easy to boost prices. Final figures were not far from the previous close.

Corn was somewhat weaker. There was an increase of 409,000 bu in the visible supply, but yet total stocks everywhere are under the 5 million bu mark.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 3, 1936.

There was a slightly better tone to the Liverpool market this rning; futures there opened quiet and a trifle lower, but in antic- ation of better flour bookings the close showed advances of 1/4 to 2¢ per bushel. There does not seem to be much pressure from any untry except Australia, and with Liverpool ruling around 90¢ for My, there is no reason to expect any drastic declines there.

Our market paid very little attention to the foreign news and snce we are not exporting wheat at the moment traders watch weather frecasts more closely than anything else. During the last week or to July and September wheat have ruled rather firm, and this was casioned mainly by dry weather reports from central and western nsas, also parts of Oklahoma and Texas. The official forecast this rning led to the belief that there would be rain or snow in Kansas night, and when this news became known there was some pressure the new crop months, while May wheat remained relatively firm.

There has been a good deal of comment lately upon the heavy crease of Chicago stocks. Further good sales were reported from this market today. At the present time local contract stocks amount 1,321,000 bu as compared with 1,463,000 bu last year. There is, owever, more wheat in private elevators than there was in 1935, d should a very large premium of May wheat over July continue, we hould not be at all surprised to finally see not only some wheat rom private elevators transferred to public for delivery purposes, ut also a movement from the soft winter wheat states to this market, ther than to carry grain at big premiums into another crop. This, course, is all on the assumption that the red wheat is not all old between now and the first of May. According to our own calcula- ions, which are confirmed by the Government, the carryover on July 1 ill be somewhere in the neighborhood of 140 to 150 million bu.

In trying to analyze what this wheat is, we feel that there ill be a fair percentage of red wheat, based on the January 1st arm reserves, which showed at that time practically as much red heat in the four soft winter wheat states as there was a year ago.

Primary receipts today were somewhat better at 376,000 bu gainst 236,000 bu a year ago. So far this week stocks at Kansas City nd Minneapolis show a total decrease of 266,000 bu. Country arketings compare favorably with a year ago, amounting to 205,000 u versus 217,000 the previous year.

Toward mid-session a number of brokers bought May wheat and old July, which widened the spread between old and new crop months o about the widest parity in several weeks. At the close the dif- erence was 10 1/2¢ per bu compared with 9 1/4¢ yesterday.

As stated previously there was also some pressure upon new crop onths because of the official forecast for moisture in Kansas, but ome skepticism was shown by local map readers, and if the overnight oisture fails to materialize possibly a rally will occur in July nd September contracts, which were depressed today. However, a ertain amount of nervousness exists, and regardless of the final out- ome May and July wheat temporarily might widen further particularly f more spreads or hedges are changed over.

Neither Winnipeg nor Minneapolis nearby futures shared in the trength of our May wheat, and therefore we are inclined to believe hat the action here was largely of a local character.

Corn was helped by the strength in wheat, and a better entiment generally. Receipts are not heavy, and stocks are not urdensome; therefore, there is no pressure upon this market.

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DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 4, 1936.

Liverpool was lower at the start but quotations steadied owing to a better demand both in the United Kingdom and on the continent. There seems to be more recognition abroad of the fact that 90¢ for May wheat delivered at Liverpool is not an exorbitant price, and this is especially true for the time being when really only two countries: namely, Australia and Canada, can offer in large quantities. Final prices rose 3/8 to 7/8¢ per bu, most of the advance occurring in the March delivery, indicating that the urgent liquidation had apparently subsided.

European wheat crops are now reported in fair condition but some damage has undoubtedly occurred in Russia and France, so that with the total European acreage probably smaller than a year ago, there is nothing particularly bearish in the world situation, at least until more is known about the outcome of crops in North America.

In this country the snow layer has largely disappeared from the main winter wheat belt, and according to the weekly weather report in the Ohio valley there is still some uncertainty, but the crop is now greening. In Missouri apparently a good condition exists in the northern part of the state, but looks bad in much of the Southwest. We should say that Kansas with its huge acreage is the state which will bear close watching; poor to fair conditions prevail in the northwest, but very poor to poor in the southwest portion of the state, and today for instance dust storms in the latter locality were again reported. From what we gather from our friends in Oklahoma and Texas, the crop is in fairly good shape at the moment but will require spring rains with intermittent regularity to obtain the best yields. In view of these circumstances one can only base conclusions on the law of averages, and with the large acreage originally sown, there is still a chance of very fair returns in the winter wheat areas, while moisture conditions in the Northwest are better than they have been in several years.

Possibly the one encouraging element is the fact that during the past seven weeks the movement from Canada has shown a good increase, particularly in the overseas' clearances. A continuation could easily be expected in view of the fact that world shipments of wheat and flour since August 1 up to the present time are about 8 million bu smaller to European countries than they were a year ago, while ex-European nations have taken about the same amount, including some supplies which were destined for the United States.

There is at the present time about 18 million bu less wheat in Canada than there was a year ago, not including stocks in farmers' hands and in transit. There is still a question as to whether the Canadian crop had not been under-estimated, judging from the pick-up in the country marketings, which yesterday amounted to 264,000 bu versus 282,000 bu last year. On basis of Canadian figures there is supposedly only 23 million bu of wheat left on farms compared with 44 million bu last year. If marketings parallel those of the previous season during the next few weeks, an upward revision might become necessary.

Primary receipts of wheat were 322,900 bu against 183,000 bu a year ago. So far this week stocks at Kansas City and Minneapolis show a total decrease of 492,000 bu.

There was very little feature to our market except some further undoing of spreads by way of purchases of May wheat against sales of the later months. This widened the spread between old and new crop futures somewhat more, and at the close showed 11¢ per bu difference.

According to the weather prognosticators there is a little more likelihood of rains in parts of the Southwest than appeared from the map yesterday. Should moisture occur, of course, it will be an element to affect the deferred deliveries. Today's sales from Chicago were on a lighter basis, and it remains to be seen now whether the urgent demand has been satisfied.

Corn was firm with a few buying orders entering the pit, but there is no marked change in sentiment in this cereal despite slightly larger receipts at terminals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 5, 1936.

Firmness was again a feature abroad, and Liverpool prices closed unchanged for the nearby delivery and 5/8¢ per bu higher for the deferred months. This came about in spite of Russian shipments, which were more substantial, amounting to 592,000 bu compared with no shipments at all for the corresponding period of 1935. Also the estimated Argentine shipments this week were large considering that they had a complete crop failure in that country, at 1,764,000 bu, versus 2,777,000 bu a year ago.

We presume, however, that European buyers are looking somewhat further ahead than in normal times, and even though Canada is placing substantial quantities afloat each week in an orderly fashion, there is the assurance now that carryover stocks from previous seasons will be greatly reduced. We are not trying to intimate that there will be any shortage of Canadian supplies at the end of this season, but there are a good many uncertainties which still exist, and Europe does not know yet whether the United States will be actively competing in the export field by next July; because even on the assumption that we raise a bountiful crop there can be no doubt but that the first arrivals from the country will probably find eager buyers.

As long as May wheat rules about 10¢ per bu over the July, there will be no large flour stocks built up, but on basis of new crop futures, there might be considerable replenishing of merchandise which in the meantime might run to rather low proportions. It was reported that the country was offering red wheat a little more freely, and as a result overnight sales from Chicago were somewhat smaller. The red wheat situation undoubtedly hinges upon a rather delicate balance; and since this is about the only wheat which will be delivered on our Chicago May contracts, it bears close watching. However if there are finally one million bu more than are needed, it would give no great comfort to parties who are carrying present supplies at substantial premiums over new crop months. The situation is different from the one which existed last December to the extent that the element of time is a factor, and since June is often a poor month for merchandising, it remains to be seen who might finally want to carry wheat at the end of May unless the demand at that time would be extremely keen. In an ordinary year the new crop starts to move in Texas and in southern Oklahoma about the middle of June, and competition from that source could cause some uneasiness to holders if there were a great disparity between prices of old crop supplies and new.

Primary receipts today were quite large, and amounted to 437,000 bu against 249,000 bu last year. Stocks at Kansas City and Minneapolis showed a total decrease so far this week of 659,000 bu. Canadian country marketings were 207,000 bu versus 234,000 bu in 1935.

Weakness in May wheat was in sympathy with the decline at Kansas City, and was also due to the fact that local demand was less urgent. On the other hand new crop futures were firm, and advanced fractionally owing to the fact that rains which had been forecast overnight failed to develop. It is generally felt that moisture in Kansas will still do a great deal of good, but unless this occurs within the next week or two there will be a great many crop scares sounded.

Corn was more or less neglected and price-changes were unimportant. The same was true more or less of oats and rye. It seems that the greatest interest is still being maintained in wheat, although even there new incentives are lacking.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
O BOARD OF TRADE
K PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 6, 1936.

Liverpool was firm again this morning, although best prices were maintained, with the close being unchanged on all months exdept , which was just 1/8¢ per bu higher. Argentine shipments for the were 1,653,000 bu, or about in line with yesterday's estimate. ralia cleared 3,807,000 bu, which, while a little bit larger last year, showed a reduction from last week. Broomhall claims the demand in the United Kingdom is quiet but most shippers are ding offers at slightly higher prices.

Our market paid very little attention to foreign news. New crop res opened slightly higher, owing to the fact that there had been oisture overnight and also to the forecast, which suggested no f for the next twenty-four hours.

The Modern Miller in its resume this morning confirmed our views very little winter killing is indicated, and they further claim taking the winter wheat belt as a whole the moisture situation he best in several years. The private experts released their mates this morning on the present yields for next summer. These ed greatly, the lowest being 500 million bu and the highest 565 ion bu, showing how difficult it is to determine a crop as early arch. Nevertheless the average of all estimates was 523 million which, on basis of the planted acreage, suggests that they are figuring 11.1 bu per acre on an average. When we consider that year there was very high abandonment, also a drought in the hwest, damage from rust, etc., and finally the crop yielded 9.7 r acre on the sown area, we feel that the present figures given quite conservative.

The farm reserves are thought to be about 121 million bu, and arisons are somewhat difficult to make since the official figures now given as of April 1st. However we are assured that there ore wheat left on farms than a year ago at this time, and when rther analyze the break-up of estimated supplies and utilization h the Government has furnished us, we find that in the estimated rover next July of 135 million bu the shortage will be almost rely in hard wheat as compared with last year. Figures follow:

	Hard Wheat	Red Wheat	Spring Wheat	Durum Wheat	White Wheat	Total	(million bu.)
rover 935	71	32	28	5	16	152	
ated rover 936	44	36	33	6	16	135	

Should the above figures finally be borne out, it would appear Chicago would get its share of red wheat for delivery purposes, se we can hardl y imagine that anybody would want to carry this of grain into another crop at a large premium if pretty well ed that there will be ample supplies of new wheat from Illinois able by next July.

Primary receipts today were 313,000 bu compared with 191,000 bu year. So far this week stocks at Kansas City, Minneapolis and h show a total reduction of 848,000 bu, which foreshadows another ase in the visible supply on Monday. Canadian country marketings 284,000 bu versus 181,000 in 1935.

The Government published import figures into the United States he month of January, and slightly more than 3 million bu came in, makes the total for the crop year close to 30 million bu, al- h some of it undoubtedly is for grinding in bonded mills and may -exported.

There was no particular news to account for today's break, except the market has been in a rut for weeks, and undoubtedly there stale bull interest, part of which was liquidated when stop-orders were uncovered. In all probability we will have a sur- next year above home requirements, and then instead of importing we will be guided more or less by competition. Meanwhile there be some crop scares, and therefore we do not advise selling siastically on breaks.

orn declined in sympathy with wheat, and also because the private ates on farm reserves were not particularly bullish. Oats and rye declined when discouraged holders liquidated their commitments.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MODITY EXCHANGE INC.

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 7, 1936.

Liverpool had opened somewhat lower in sympathy with declines
orth American markets yesterday, but firmed up at the close with
nces of 1/8 to 3/8¢ per bu. The foreign demand was quiet, but
as thought that possibly Hitler's speech referring to the Locarno
had caused a little more uneasiness abroad; and this also affected
ipeg prices, which were quite a bit higher than yesterday.
We figure that the world's shipments on Monday will be entire-
lequate for all purposes, although a little smaller than last week
g to the fact that Australia has furnished less.
Our market opened slightly higher being influenced by overnight
ner reports as well as European political developments. There
been no rain in Kansas for several weeks and the monthly report
he Kansas weather bureau state s that February, with two exceptions,
the coldest on record. Precipitation was deficient in every coun-
Little can be determined this early, and yet a state having
tically fourteen million acres sown, is important to watch, althougk
ttedly good seasonal rains from this time on would do a great deal
ood. The weekly weather forecast does not anticipate much moisture
rally, although we believe that the greater portion of the winter
t area is in good shape now and does not require any immediate
.

There has been no important change in the world wheat situation
he past few weeks. Canada seems able at present levels to reduce
stocks without depressing Europeanprices. Actual exports from August
the end of February were about 131 million bu. This includes
t which was shipped to the United States. After allowing for home
irements there is still a balance available for export and carry-
of some 250 million bu. We assume that if present policies are
tained that Canada will probably be able to ship about 5 million
er week in the remaining twenty-two weeks, which would finally
e a carryover of 140 million bu; all of the above on the assump-
that the crop had not been under-estimated. There is claimed to
bout 24 million bu of wheat left on farms compared with 40 million
ast year, but at the present rate of country marketings, we are
ined to believe that there might have been an error in calculating
crop. Today for instance country marketings were largerthan they
a year ago, amounting to 247,000 bu compared with 218,000 bu
previous season.
Domestic primary receipts were rather heavy, and totaled 424,000
gainst only 134,000 in 1935. Stocks so far this week at Kansas Cit
Duluth show a total decrease of 817,000 bu.
There were again fairly large sales of wheat from Chicago, and
xpect that on Monday a further shrinkage in Chicago stocks will be
n. However if there are a few more days of enlarged receipts from
try points this situation might change quickly; and for that rea-
we caution those who are bullish on May wheat compared to July, as
e might be a recurrence of what happened last year when the nearby
very was strong but finally went to a discount under the new-crop
hs. We quoted some figures yesterday in which the Government
cipates that the amount of red wheat carried into the next crop wil
ore substantial than the quantity which was brought into the presen
e

The close showed advances of about 1 1/2¢ per bu both for May and
wheat.
Trade was somewhat smaller than yesterday, when over 25 million
f wheat came into the pit; however, with traders now watching
political and crop news, the market may become more active.
Corn was firm on small buying orders. The strength in wheat
ed this cereal, creating just a little better sentiment all around.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 9, 1936.

Liverpool was strong this morning although best prices were not maintained. Broomhall attributed the higher market as being sympathetic with North American strength of Saturday; also to a decline of two points in sterling and smaller shipments from North America.

It was apparent to students of international questions that there was not any sensational war scare abroad as evidenced by the fact that foreign exchange indices, which are generally the most sensitive barometers, show small variations, and nothing compared to what one might expect if there were actually immediate hostilities expected. We can remember before the European war of 1914 how Germany had stocked up long in advance, buying not only minerals from other countries, but laid in large supplies of food, which is necessary to carry on extended operations. There is no indication that anything of this kind has occurred. Nevertheless a good many people had been reading the headlines and with foreign markets showing some buoyancy, first quotations were stronger because of fears that the European political outlook might become more disquieting. The fact that shorts had covered commitments rather heavily on Saturday gave us very little new buying this morning, and without further inspiration highest values were reached shortly after the opening bell.

The weather over the weekend had not been particularly good as showers occurred only in one or two spots such as Oklahoma City and around Fort Worth, Texas, leaving the real dry belt in Kansas still unrelieved; and here we believe that there is apt to be considerable apprehension unless moisture visits the dry areas within the next two weeks.

The visible supply of wheat showed a decrease of 2,838,000 bu, which was much the same as last year, and the total at all reporting points is 51,768,000 bu, or only 3,264,000 bu less than that carried at the corresponding period of 1935. Chicago stocks decreased rather heavily, the shrinkage amounting to 439,000 bu, leaving at the present time 5,855,000 bu in store here in public and private elevators. Primary receipts today were good, and amounted to 611,000 bu compared with 259,000 bu a year ago. Canadian marketings also showed the effects of improved weather, and deliveries at country stations were 344,000 bu versus 197,000 the previous season.

Overnight sales from Chicago were somewhat smaller, and we are inclined to think that from now on with a better movement from the country that local stocks may not diminish so rapidly.

Toward mid-session some selling orders came into the market which carried prices about 1¢ per bu below the previous session. There is not a large volume of business yet and, therefore, small orders easily influence the trend.

While the weather will probably be an important factor for the next few weeks, there are enough encouraging reports coming from the central states so that a good many people are ignoring reports of dryness and even dust storms in the Southwest, figuring that there is plenty of time for the latter territories still to be benefited.

Wheat imports are possible as long as Winnipeg is ruling about 15¢ per bu under Chicago; for the week ended February 29, 402,000 bu are reported as to have come from Canada to this country.

At the close wheat showed a decline for the day of about 1¢ per bu.

The visible supply of corn increased 594,000 bu this week, and there are possibilities that with clearing roads receipts will pick up.

One of the crop experts estimates farm reserves of oats as of March 1st, 1936, at 574 million bu, which is over double what they were a year ago, showing that supplies are plentiful.

Rye also declined in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 10, 1936.

After our session had closed yesterday the securities market ecame very weak, and this created a strong demand for indemnities, s it was thought that possibly war news had been a factor in bringing bout uneasiness in stocks. However when traders came to their desks his morning they found Liverpool had followed fully our yesterday's ecline and foreign exchanges were hardly any weaker, therefore, ndicating no excitement abroad where they are closer to the scene n we are. The first effects brought about a little further quidation, but soon afterwards dust storms from the western section f Kansas brought in a few buying orders, which were of some aid to he market.

As we have pointed out repeatedly in our letters, the great ils of our big carryovers both in this country and elsewhere have en partially corrected. Nevertheless there is no important leadership or speculation to give us any sustained strength, and apparently ay wheat around the dollar mark is finding some opposition. The t that wheat is difficult to bull, despite the short crops in th America and a failure in Argentina, leads further to the belief t should we raise normal crops this season there may be difficulty holding the price of July and September wheat even around current evels.

The chief trouble still lies not in the exporting countries, here surpluses have been greatly reduced, but rather in the importng nations, who no longer seem to have the absorption of normal ears. This is partly due to increased acreages, but more so to conomies and reduced consumption. It appears likely that Broomhall's arlier estimates of import requirements will finally be cut quite aterially.

There is a slightly better trade in the pits now due to the act that central and western Kansas are sending in reports of dry eather, but these crop scares are not having the effect that would rdinarily be attendant to a market in former times.

Primary receipts today amounted to 358,000 bu compared with nly 129,000 bu a year ago. So far this week stocks at Minneapolis how a decrease of 225,000 bu, and Kansas City unchanged. Country arketings in Canada have been running a little ahead of last year or the past few days, and amounted to 263,000 bu today versus 208,000 u the previous season.

There was hardly any trend to our market, and fluctuations came bout entirely in accord with the tenor of the few orders which ntered the pit.

The weather forecast suggested rains over eastern Kansas, also arts of Missouri and southern Illinois, but the important territories hich have really been suffering, in central and western Kansas, apear to be unrelieved. The trade is in the frame of mind that it is ery early, and even though dust reports are being circulated over erritories which suffered last year, that there is not likely to be repetition, and that actual rains within the next two or three weeks ould still correct some of the moisture deficiency.

The little buying, however, which was probably of a covering ature came more into the deferred futures than into the May, and this rought about a slight narrowing of the spread between old and newrop months.

The demand for wheat fromChicago keeps up on a fairly good cale, and about 80,000 bu of wheat were again sold overnight. However levators realize that while they may be getting 4 to 5¢ per bu over ay in reality they are selling their grain at 14 to 15¢ per bu over uly; and should they miss their opportunity, in the event the country ovement picks up premiums might narrow.

The close showed fractional advances over the previous session.

Corn was affected by the narrow swings of the leading cereal, nd while firm it did not seem to inspire much new buying.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO March 11, 1936.

There was no great change in the overnight news. Further con-
erences had taken place in Europe in connection with recent political
evelopments, but nobody seems very alarmed over the possibility of
mmediate hostilities as had been the case three or four days ago,
nd foreign exchange markets as well as British commodity markets
howed a more conservative tone. Liverpool wheat was somewhat firmer
ollowing the advance in North America yesterday, but the close was
nchanged to 1/8¢ higher, indicating that no great anxiety prevailed
ver ability of getting immediate supplies.

The weekly weather and crop report was rather optimistic as
ar as the main winter wheat belt was concerned. It talked of the
oil being too wet in the Ohio Valley to permit spring work, but
laimed some improvement was noted during the week. In Missouri the
heat had greened considerably and looked good except in the southern
rea. The same was true for much of the territory in eastern Kansas,
ut it seems in the western part of that state real moisture deficiency
s being felt; and there is some danger because of soil blowing un-
ess rains occur within the next few weeks. Going farther south into
exas and Oklahoma the condition improves with generally fair con-
itions being reported, although moisture also would be very beneficial

Most of the pressure has been in the new crop futures, the be-
ief being quite prevalent that rains generally occur during the
pring months and that after four years of poor crops in the winter
heat belt, we are due, according to the law of averages, for at
east average yields. We have mentioned on several occasions that
he acreage sown last fall was about the largest since 1928, and
hile we are generally optimistic ourselves, we do point out that
he last good crop of winter wheat was raised in 1931 when 818 million
u were harvested. Last year for instance we only raised 433 million
u; in 1934, 406 million bu; in 1933, 351 million bu; and in 1932,
78 million bu. This was due in a large measure to drouth conditions
nd there were areas in parts of the Southwest which deteriorated due
o lack of rain. We feel, therefore, that since the carryover at
he end of this season will be just a moderate one, that future devel-
pments will bear close watching. It cannot be forgotten that
ansas alone had about 14 million acres sown to wheat last fall and
ith a prolonged dry spell it will take more than normal moisture
ver rather extensive areas to improve soil conditions.

There were a number of crop scares from Kansas, but these had
ery little effect upon the market, even though the forecast was main-
y for continued dry weather; and apparently without market leader-
hip the small buying orders which came into the pit were of little
elp.

Primary receipts were quite good amounting to 347,000 bu versus
41,000 bu last year. Stocks at Kansas City and Minneapolis so far
his week show a total decrease of 438,000 bu. Marketings in Canada
ere 340,000 bu versus 220,000 a year ago.

As far as the Canadian market is concerned, it has not fluc-
uated much during the past few weeks; and this also has been against
broadening of trade in our market. Whenever there are sharp fluc-
uations in Canada, it has its influence here almost immediately. At
he present time there are about 219 million bu of wheat in various
ositions, not including stocks held on farms or in transit, which is
bout 20 million bu smaller than for the same period of 1935. In
ther words, Canada in a quiet way is doing a pretty good job of dis-
osing of the accumulated surpluses; and therefore, sharp breaks in
hat market are not likely for the next few weeks. Later on, of
ourse, crop developments up there will be the dominating price factor.

In the last few minutes of the session markets firmed somewhat,
nd at the close there were no great changes from the previous session
xcept that the May delivery had gained on other months due to
ather liberal sales from Chicago on overnight business.

The Northwestern Miller claimed a poor flour business for the
eek, southwestern mills booking 43 per cent of capacity compared
ith 88 per cent the previous week, while northwestern mills sold 39
er cent of capacity against 69 per cent the week before.

Corn had a narrow range, with very little outside interest,
ut toward the last there were slight advances in sympathy with the
eading cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
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UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 12, 1936.

Liverpool quotations were quite strong this morning and best
ices were maintained, with their close about a penny higher than
sterday.

A more active export business was reported from Canada and
e feeling generally was improved, with the result that Winnipeg
otations were also considerably higher than at the previous close.
was thought that possibly as much as 1,500,000 bu of wheat had
en sold overnight, but there was very little commotion, inasmuch as
e Canadian Wheat Board was reported to have sold futures about
ual to the cash business. Apparently they are anxious for exporters
remain in line, and thus encourage foreign trade.

Estimated Argentine shipments were 1,102,000 bu this week, which
s quite a drop-off from clearances last week and compared with
tually 4,173,000 bu put afloat a year ago. Black sea shipments were
t burdensome and amounted to 240,000 bu, most of the wheat originat-
g from Russia. This, together with the European political news,
ve us a slightly higher market today.

There was nothing extremely warlike from abroad and yet a little
ss conciliatory feeling in Europe was apparently disturbing and
affected the stock market adversely, and also caused foreign ex-
ange markets to rule slightly lower. Otherwise there was nothing
particular consequence in the domestic news. Moisture had occurred
territories east of the Mississippi river, but in the large dis-
icts of Kansas, which up to now are unrelieved, no moisture was
ported, nor did the weather indications lend much encouragement.
nerally speaking we would say that the crop prospects are still
ry good. Of course everybody knows that crops in the Southwest
nnot be raised unless they get a good deal of rain.
good many traders have in mind that for the last few years we did
t receive moisture during the critical period, but this was rather
ceptional, and, therefore, it is almost a safer speculation to
gure on the normal.

Primary receipts today amounted to 297,000 bu compared with
ly 125,000 bu last year. Stocks at Kansas City and Minneapolis
ow a net decrease so far this week of 491,000 bu. As a matter
fact a slight increase occurred in the southwestern market.
untry marketings in Canada are running considerably over a year
o, and are 308,000 bu versus 185,000 bu the previous season.

During the last hour of trade upturns in the market were a
ttle bit more pronounced, and this was entirely due to further war
ares, although actual advices from the other side did not describe
y additional complications. The fact that securities broke rather
arply was taken as an indication that there might have been foreign
quidation of securities; and this brought about a short covering
vement, which carried all wheat futures up in more or less the same
oportion. At times May wheat traveled a little faster than the
w-crop months, but it is felt that with a larger movement in Ohio
ne of the mills using soft winter wheat would be able to get sup-
ies more readily at home than by coming to Chicago. This being the
se, a premium of 10¢ per bu for May over July is still regarded
a great many conservative people as being sufficient, at least,
r the time being.

Corn was influenced by the better tone of the leading cereal.
fact all grains benefited; while trade in the latter pits was not
rge it required only a nominal amount of purchases to bring about
gher closing levels.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 13, 1936.

The war scare which had been more or less an influence on the
ain markets in the last few days had subsided considerably during
e early part of the session. The consensus is that some settle-
nt will be arrived at between the various nations and that no great
nflagration will take place. It is unthinkable that there should
a war involving practically all of Europe at the present time.
en Napoleon conducted his great campaigns he claimed that armies
rch on their stomachs and that the first essential is to provide the
ldiers with sufficient food. While this still holds good, modern
mies must also be provided with many other essentials; oil and
soline, cotton, steel and iron, as well as copper, are necessary
r equipment of the airplanes and for the artillery; and therefore,
country like Germany which depends upon importations of many articles
ch she does not produce herself, is not prepared for any prolonged
ht. During the early years of 1914 in spite of the blockade she
d been [illegible]able to import a great many war materials as her gold re-
rve enabled her to make the purchases from the neutral nations such
Holland, Scandanavian countries, etc. According to the latest
blished statement of the German Reichsbank the gold reserves have
ndled to almost the lowest point, amounting to about thirty million
llars, or less than one three-hundredth part of ours. This small
ount would be exhausted in case of war within a week or so, and
portations of necessities such as butter and fats, which are al-
ady scarce, could no longer be provided to the civil population.
seems, therefore unlikely that Germany would want a war, or even if
r bluff is called, would not make sufficient concessions to avert
e. While France and other countries are in a better fighting posi-
on, the people of these nations are all war tired and it is not
kely they will permit conditions to develop beyond a point where a
nflict would be unavoidable.

The Liverpool market, where European opinions are centered as
r as grain values are concerned, also was very calm, and futures
ere closed 1/2 to 3/4¢ per bu lower than the previous day. That
rket was largely influenced by the continued heavy shipments from
stralia, amounting to 3,472,000 bu compared with 3,128,000 bu last
ason. It is true, Argentine shipments were very light, being only
171,000 bu versus 4,173,000 bu same week in 1935; but this was ex-
cted, and no doubt will continue for the balance of this crop season.

The domestic news was not sufficiently changed from the previous
y to induce heavy new engagements. The Southwest remains dry, but
vertheless many very optimistic views as to the final outcome of
e winter wheat crop are expressed, always, however, with the pro-
sion that sufficient rains will come in a reasonable time. It is
ry seldom that this fear of possible drought in the Southwest does
t exist. During the last few years no timely relief came, but in
ny years the proverbial April showers came in time to save the crop.
e fact that a very large acreage was planted, together with the pro-
bility of a small amount of winter killing, makes it possible that
e final large acreage left standing will yield much above that of
st year. Uncertainties, of course, will continue until we are ab-
lutely assured of more moisture. Therefore, sharp fluctuations are
t likely in the new crop futures until more is known about the pro-
e outcome of the crop.

As far as the May future is concerned, steady cash sales from here
ke shorts rather nervous, but longs are also not quite sure of their
sition because there is a tendency on part of our mills to reduce
eir stocks to a minimum as long as the nearby future is at a pre-
um, purchases are only made from hand to mouth, and according to all
atistical information there is no chance of any actual scarcity de-
loping.

Contract stocks in Chicago in public elevators are extremely small
d if this were the first of May deliveries would not be likely on ac-
ount of the premium prevailing for all grades of wheat which are de-
liverable on contracts. However, much can happen between now and the
d of May, as by that time, if prospects continue favorable in the
ntral states, it would be inadvisable for farmers to carry wheat
er into the next crop, so the movement might greatly enlarge.

(OVER)

Primary receipts today were again quite heavy compared with l
season, being 377,000 bu, or more than double the quantity received
in 1935, when on similar day they amounted to only 154,000 bu. Shi
ments are also larger, however, the comparison being 420,000 bu thi
year against 241,000 a year ago. Stocks at Kansas City, Duluth and
Minneapolis so far this week show a decrease of 609,000 bu.

The fact that Kansas City stocks so far this week actually sho
an increase of 28,000 bu, in spite of the small farm reserves in th
Southwest, indicates a great desire on part of farmers to clean up
their old wheat.

Toward the last hour of the session more pessimistic war rumor
came over the wires, and while there was no confirmation of same, t
fact that the stock market was so very weak and the Winnipeg market
very strong induced new buying. At the close wheat showed an advan
of 3/8¢ per bu for the May and July futures, while the September wa
unchanged.

Corn firmed up in sympathy with wheat, but it also remains
intrinsically strong. During the time when accumulations usually
take place at terminal markets stocks did not increase much. There
is heavy feeding going on all the time, and when farmers get busy
in the fields the chances are they will not have time for heavy deliveries, and the movement might be very small.

Oat stocks on the contrary are very large with only a fair dem

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CHICAGO MERCHANTILE EX.

CHICAGO March 14, 1936.

The latest quotations of Lloyd's confirm the opinion expressed n our market letter of yesterday that the prospects of a European war e very remote. The odds against a European war in six months are 1/2 to 1; and against French troops entering the Rhineland zone with- n the next three months 48 1/2 to 1. Assuming, therefore, that war are news will not be the dominating factor in shaping wheat values, is well to consider what the world situation will be on July 1when e new winter wheat crop in the United States will be harvested. As r as the domestic crop situation is concerned, we take it for anted, as almost all authorities agree on that point, there will plenty left for all purposes with a probable carryover of 140 to 0 million bu, much the same as last year, possibly a little less. e world situation as a whole will be entirely different.

The Canadian wheat situation as it now appears will be greatly nproved by August, which is the start of their crop year, but no ntire cure has taken place. The surplus as of March 7 amounted to a ttle over 247 million bu and assuming the weekly exports will be million bu, would leave a carryover for that country of about 142 illion bu.

Great changes have taken place in the southern hemisphere. rgentina at best could only export 1,250,000 bu per week until end of ecember, and their entire stocks would be cleaned up. Australia has een shipping very heavily and with the present surplus of 64 million a and 43 weeks to go to the end of the calendar year, this would not ermit of larger weekly exports than 1,500,000 bu with no carryover hatsoever. The conclusion is inescapable, therefore, that after ly 1 Europe will be almost entirely dependent upon Canada to furnish er requirements, unless countries such as the United States, Russia nd the Danubian provinces which had furnished only the smallest uantities for several years, should again enter the export column in reat volume. Of course there is always the possibility that Canada, hich had a number of crop failures in succession, might again raise e of those bumper crops which occurred before. Up to the present me her wheat is not even sown, but the feeling is rather optimistic ith indications of a large acreage to be planted and soil conditions much better shape than for a number of years. Should the United ates raise a surplus, the possibility of our finding a market for r surplus is better, therefore, than during the past seasons. The act that the United States Government agencies also recently sub- idized the sale of some flour from the Pacific Coast to the hilippines also encourages the belief that the powers which are given nder the new Agricultural Act might be used to stimulate the export wheat or flour and prevent extremely low prices, no matter how rge the crop might be. This, however, would not prevent moderate ecessions from present values should conditions otherwise justify.

All of this goes to show that too many "ifs" and "ands" have to used before we can arrive at definite conclusions.

The weather both here and in Europe, as well as Canada, makes ositive predictions impossible at the moment. We are only sure at e present time of a very heavy acreage in the United States with robably small abandonment of winter wheat, thus leaving us with lenty of acres, which in all likelihood will produce a very much rger crop than last year; and with timely rains, could even furnish s an abundance which might at times become burdensome.

The Liverpool market showed only a small response to our rise in alues here yesterday, the final closing prices there being 1/8 to /8¢ per bu higher.

(O V E R)

There were again very heavy sales fromChicago --about 115,000 but we understand that they are being made at much smaller premiums than of late; possibly this might be a special inducement for some millers to lay in larger stocks and make purchases above present requirements.

The primary movement continues to be heavy, receipts today amo ing to 454,000 bu with only 149,000 bu corresponding day last year, and the total for the week shows up very well --2,444,000 bu versus 1,057,000 bu a year ago. This discrepancy cannot be accounted for the assumption that farmers' holdings are so much larger than last year, but is evidently due to the fact that farmers are very optimi on the new crop outlook, and are more anxious to dispose of their holdings than heretofore. This movement is not confined to any one territory; in the Southwest, it was large enough so that stocks at Kansas City for the week show an increase of 34,000 bu, in spite of the pretty fair flour demand and reasonable consumption. Stocks at Kansas City and Minneapolis for the week decreased 506,000 bu. We believe that the decrease in the visible supply on Monday will be smaller than either last week or last year.

The weekly weather forecast is not particularly encouraging as far as the dry territory is concerned; over the Great Plains littl precipitation is expected, except light rains or snows in the Dakot and in Montana, but no great hopes are held out for moisture in the Southwest, where it is badly needed. The outlook for the East is more favorable.

At the close wheat showed a decline compared with yesterday of 1 1/4¢ per bu.

Corn primary receipts are also increasing, being 689,000 bu too against 268,000 the previous year; they were also heavy for the wee but we believe there will be a fair demand for corn at the opening of navigation, and with a heavy feeding demand in the country, we believe it is in a pretty strong position, particularly as long as the price of hogs remain so high and encourages heavy feeding.

Oats and rye remain neglected.

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CHICAGO March 16, 1936.

In spite of more diplomatic wrangles abroad regarding the ad-
tment of differences between the various nations and Germany con-
ning the rearmament of the Rhineland, the Liverpool wheat market
s considerably lower, futures closing at a decline of 1 1/8¢ to
/8¢ per bu from Saturday. It is to be assumed that the consensus
still that war will be averted at the present time. Naturally the
osing ministers will all fight for the best terms of adjustment,
ating the most favorable impressions at home, but finally all of
m will try to avoid a conflict and probably concessions will be
e all around to conclude a temporary truce.

Germany no doubt has been largely influenced in her provocation
the present time by the bad internal financial and economic situa-
n and undoubtedly she succeeded in her aim, as the new patriotic
ling which has been created will give the leaders new prestige. On
other hand she is fully aware that her opponents in a war would be
y, and that her chance of a successful outcome would be very much
se than possibly a few years hence when she would be better pre-
red. The other countries would not have sufficient backing of their
ulaces to venture too much.

Foreign markets seemed to ignore the political situation and with
comparatively poor demand, that outlook is not particularly en-
raging. World shipments were again much smaller than both last year
last week, being about 9 million bu compared with over 11 million
in 1935, and about 1,200,000 bu less than the previous week. Con-
bution from America was only a trifle larger than parallel week
last year, being only 3,140,000 bu and actually smaller than that
Australia. Under these circumstances Canada undoubtedly will still
e a very sizeable surplus next August when her crop year starts and
sibly may find by that time that the United States is a new com-
itor.

A somewhat steadying effect here at times was the fact that there
e no rains in the dry belt, and in fact very little precipitation
where, but this morning a few points in Kansas report slight sprink-
gs; the fear of any actual rains and the effect on the market is
great that the slightest signs of approaching moisture is a market
tor. Back in the mind of the wheat trader is the fact that our
ter wheat acreage this year is very large, the abandonment probably
y small, and that the largest part of the wheat territory is in a
ition to produce a very satisfactory crop provided from now on we
ld be favored with the usual amount of moisture.

The domestic movement of this season's short crop also keeps up
ger than anticipated, and it is, therefore, not very encouraging
the constructive side. Primary receipts of wheat today were 646,000
compared with only 203,000 bu same day last year, or more than
ee times as much. It is true, the outgo is also larger, shipments
ng 342,000 bu against 157,000 bu a year ago, but the visible supply
decreasing slower than in 1935, and while at one time it was much
ller, we are gradually catching up. These stocks are now 50,047,-
bu versus 52,916,000 bu the previous season, or 2,869,000 bu
s. Naturally much attention is being paid to the size of the Chicago
cks, as they form the foundation for deliveries; the decrease of
e has been steady, but was only moderate last week at 338,000 bu.
re are still available 5,517,000 bu, which might be sufficient for
purposes even in anticipation of further reduction unless there
uld be a large concentrated interest which would be anxious to take
ivery and be in possession of the cash wheat in May. The amount of
tract stocks still remains very small, and, therefore, more or
s uncertainties as to the outcome of the difference between May and
y will exist for a while. We feel that the picture is clearer as
as the difference between July and September is concerned, as with
kind of normal weather there ought to be sufficient movement during
month of July to make it inadvisable to purchase that future at a
mium over September. We believe that finally July wheat will sell
a fair discount, weather conditions permitting.

No important transactions could be traced today, and altogether
volume of the turnover was rather small. At the close wheat showed
ecline of 1/2 to 3/4¢ per bu.

Corn primary receipts are much larger than recently, being 1,033,-
bu compared with 402,000 bu a year ago. The visible supply shows
increase now of 672,000 bu this week, while last year it decreased
,04,000 bu. However stocks remain extremely light at 18 million bu
s than corresponding week in 1935. We believe there will be a bette
and after opening of navigation, and that corn stocks will not be-
e burdensome at any time this year with the heavy increase in feeding

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CHICAGO March 17, 1936.

The political conferences which have taken place at London, we ink, have advanced far enough so that at present the probable danger a sudden European explosion is removed. We also think that at e moment a possible war scare need not be considered seriously as r as wheat values are concerned. The weakness at Liverpool also nfirms this view.

However great permanent damage has been done already through e militarization of the Rhineland. All confidence that treaties l be lived up to, whenever it is inconvenient for one nation or other, has been destroyed; mutual distrust is greater than ever. a consequence, more and more money for armaments among all powers ll be voted. This in turn will lead to very heavy expenditures, rupting financial budgets. We believe that the time for stabiliza- on of currencies has been removed further, and devaluation in some the weaker countries, also the gold countries, is, therefore, more a possibility. This naturally would have its repercussion here; l anybody who would be bold enough to predict prices now for the eat crop to be harvested in 1936 would have to take the above into nsideration.

Italy nationalized all her banks today which means that in se of need all any depositor, in commercial or in savings banks, ld obtain would be a piece of paper.

According to the London Economist of February 29, the food uation in Germany is still very disturbing, and eggs are hardly ainable. The consumption of bread cereals has increased consider- y, owing to the scarcity of other foodstuffs. Rye and wheat are ing used for feeding livestock, as money is too scarce to import n

In Holland the depression continues and unemployment is on the crease, mounting in the insured trades to 38 per cent larger than 1935 or 1934.

France, we all know, has a difficult time in staying on the d basis, and with the gold she has lost already, any sudden fur- er drain might change sentiment for devaluation in that country y rapidly.

England, so far, has balanced her budget, but all previous culations will be upset with bills now pending for an enormous, raordinary expenditure for armament and new loans.

Nevertheless if the world is not entirely upset by extraordinary nts, the quantity of wheat which will be raised will be the most luential item in making prices. Therefore the government report sterday estimating that farmers will plant about 22 million acres spring wheat would naturally create a very bearish outlook. This reage would be very much larger than either of the two previous rs, and in fact is larger than the ten-year average. If this is ed to the winter wheat acreage, farmers in the United States would e a combined winter and spring wheat area of about 70 million acres, with any kind of normal weather, a quantity way above consumption likely to be produced.

At the present time the outlook for winter wheat is quite favor- e, although rains are needed, but it would not be safe to assume t we shall not receive the necessary moisture from time to time in er to bring about at least fair, if not good, results.

The Liverpool market closed at another decline amounting to to 1/2¢ per bu, indicating among other things a very poor demand imported wheat. The poor purchasing power of continental Europe ms to continue and for a while we are bound to figure on a much uced consumptive demand abroad compared with previous years.

A fairly heavy movement to primary points continues, receipts ng 260,000 bu compared with only 110,000 bu a year ago; and sales m Chicago are also on a reduced scale.

Among the local traders there is now more doubt whether all red wheat here will be used before another crop will be harvested. wheat was comparatively weaker and the difference between that ure and July narrowed a fraction. At times there were reactions m the low points on reports of further dust storms in Texas and er places. The close, however, showed decline for the day of 1/8¢ bu.

Stocks at Kansas City and Minneapolis so far this week show a rease of 174,000 bu.

Trade in corn, oats and rye remains extremely neglected with ctuations quite insignificant.

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CHICAGO March 18, 1936.

Liverpool cables were practically unchanged early, but closed out 1/4¢ per bu lower. There was also very little news in the mestic situation. As long as the various powers sit at the conrence table at London it is to be assumed that some kind of an arrang nt, even if only temporary, will be arrived at and war fears at the esent time and for the immediate future are no factor in the shapg of wheat prices.

As long as the drought in the western part of the Southwest ntinues there will be some hesitancy on part of bears to become gressive on that side. On the other hand, the rather poor demand part of millers for the old wheat, together with the fact that mbined wheat acreage of winter and spring will be very large, is a terrent to assume heavy commitments on the constructive side.

A planted area of close to 48 million acres in winter wheat, th excellent prospects in the central states which might produce mper crops, lends possibilities of large final total yields proded average, or a little above average, moisture should favor the ants from now on. The indicated prospects for the spring wheat reage of 22,440,000 acres is about 19 per cent larger than that rvested last year, and it would require almost as poor a yield as st year of 9 bushels per acre to reduce the final results to less an 200 million bu. However the average yields between 1928 to 1932 re 12.4 bu per acre; therefore, a spring wheat production of close 250 million this year would be normal. This would not exclude the ssibility that better than average might be realized as soil contions in the Northwest are quite favorable.

The demand for soft wheat out of Chicago is not quite as active it was and unless Chicago stocks continue to decrease very heavily om week to week, the longs in May wheat might be more anxious to quidate their holdings and replace them with more distant futures ich are obtainable practically ten cents cheaper, thereby also ving the carrying-charge. The present premium is only justified the assumption that there will be great scarcity of the old wheat fore the new crop comes on the market, and the belief that then supies will again be very plentiful.

The primary movement still keeps up on a large scale compared th last season, being 345,000 bu today versus 142,000 bu a year ago. must conclude that farmers, as well as millers, who have a surplus country elevators are cleaning up their bins, as they have no desire carry large supplies into the new crop with futures selling at such big discount. Stocks at Kansas City and Minneapolis so far this ek show a decrease of 483,000 bu. It now appears as if the decreases the visible supply this season would not be as heavy as those of 35, in which case the amount of wheat at p oints which show up in e visible supply might be larger on July 1st than same period last ar. This, of course, might be partially offset by smaller holdings iong farmers and country mills and elevators.

Trade was extremely light early today and small purchases were fficient at times to give us a higher market than yesterday, but ere seemed to be continued liquidation in May wheat late in the ssion with the result that at the close May wheat was 1¢ per bu wer and July 3/8¢ per bu.

The oats market was particularly weak, and the open interest the May future last night was almost 33 million bu. As there are signs that anybody wishes to take delivery on a large scale we sume that heavy liquidation will continue depressing the price.

Corn and rye declined in sympathy with the other cereals.

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CHICAGO March 19, 1936.

Trading in Liverpool futures seems to have decreased equally
much as ours, and probably for the same reasons. Their fluctua-
ons before our session opened had been so small that our market was
dly affected either way. Later, however, sentiment must have
anged abroad, possibly reflecting a little anxiety on account of the
itical situation, a nd futures there finally advanced 3/4 to 7/8¢
bu, with the exception of the October, which advanced only 3/8¢.

Domestically there was no particular news. There were no rains
orted anywhere, although there were a few insignificant showers
widely distributed points in Kansas, but no relief of the moisture
estion in any sense has taken place. Nevertheless the feeling re-
rding the outlook of the coming crop remains optimistic, as the
mage done so far in the aggregate is very small. Those with good
mories recollect many seasons where similar drought conditions
isted and where a calamity was feared, when at a much later date
pious rains fell and precipitation came in time to save the crop.
wever no two years are exactly alike, and there is no certainty that
story will repeat itself; therefore great caution is being practiced
experienced traders, who will not commit themselves definitely until
re is known about the outcome of the crop or until the drought situa-
on is more generally relieved.

Black sea shipments this week are rather small, 200,000 bu com-
ed with no shipments last year. Argentine clearances are only
028,000 bu versus 2,826,000 bu last year. Broomhall feels that in
ew of the fact that Australia has already shipped such a substantial
antity of her available supplies her offerings will decrease later
, in which case Canada undoubtedly would be called upon to furnish
larger quantity.

Meanwhile, however, time marches on, and in about three months
om now we are likely to hear of the first offerings of new-crop
eat in the United States. Gradually an ever-increasing territory
ll bring its wheat to the market and while the lighter shipments
om the Southern Hemisphere will naturally be missed during the next
x months of this calendar year, this all could easily be made up if
nada, the United States and Russia would be favored with larger
elds.

The outlook in France is not as good as the previous two years,
l as she had been a disturber of prices at times with her efforts
get rid of a burdensome over-supply, this drawback may be removed.

Generally speaking the milling demand all over the country
only very moderate. There is a tendency on part of large flour
nsumers to hold off in view of the fact that high premiums for the
sh wheat, and higher values for the nearby futures than the deferred
es, do not make it attractive to lay in heavy stocks. Nevertheless
somewhat larger business from Chicago was reported. It is our im-
ession that it is more difficult to effect sales at the present
me than previously. Primary receipts were 341,000 bu compared with
ly 103,000 bu a year ago; and as long as this movement continues
asonably large we anticipate only a moderate reduction in the
sible supoly. Stocks so far this week at Kansas City and Minneapolis
ow a decrease of 411,000 bu.

There was a gradual firming up of prices during the day. There
s no aggressive buying whatsoever, but the heavy sales which took
ace yesterday seemed to have subsided, and in a very narrow market
is not difficult to bring about reactions upward, particularly in
y wheat. Naturally there are no new hedging sales, and if new
ying orders come on the market they require either liquidation or
w short engagements. Therefore most traders are making their new
mmitments in July.

At the close May wheat showed an advance of 3/4¢ per bu, while
e July was only 3/8¢ per bu higher.

Corn receipts are very fair for the time of the year, and much
avier than last season. However as long as the price of hogs is
high as it is at the present time, which induces heavy feeding,
see no reason to be bearish on this cereal.

May oats continue to be liquidated, and the difference between
at future and July is gradually widening.

Trade in rye remains indifferent.

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CHICAGO March 20, 1936.

Grain traders are usually not very active until fresh news mulates them to new commitments. The past is quickly forgotten , therefore, the fact that various powers are seated at a conence table now with the probability of long discussions, leaves news out as an important factor at the present time.

There is also nothing sensational in sight at the moment as as the growing crops are concerned. There is the hope on part the bulls that a dry weather scare may be helpful to prices later but at the present time the actual damage done is comparatively ll and the possibility of more bountiful rains makes it too untain to figure that another calamity is in sight. We will no bt have a very large acreage in the spring wheat territory, and ada also has much better prospects than during the previous seasons. uld good crops in North America materialize it would make it most ikely that later on a higher level of prices could be maintained.

In order to illustrate the great changes which have taken ce in the world's production of wheat, we wish to point out that average wheat crop in European countries in the years 1923 to 7 amounted to 1,243,600,000 bu. Average crops for the years 1933 1935 amounted to 1,615,000,000 bu, or an increase of 372 million During these same periods North American wheat crops amounted to 10,000,000 bu in the years 1923 to 1927, and during the last three rs, 834 million bu, or a decrease of 376 million bu. In other ds, the world wheat production averaged practically the same during last three years as it did ten to fifteen years ago. There would e been an enormous increase had it not been for the crop failures North America and we cannot count on the continuance of same. In meantime, of course, the populations have increased greatly, and h normal consumption the requirements ought to be much greater than the previous period. In the southern hemisphere production changed y little, except during this last year when crops were particularly r.

The Liverpool market closed quite weak again, futures dening from 7/8 to 1 1/8¢ per bu.

Australia is still shipping larger quantities than last year, amount being 2,952,000 bu versus 2,242,000 bu. Our primary movet still shows up very large, and only one conclusion can be drawn: ely, that the farmer is satisfied with the crop outlook and is aning his bins. The total primary receipts were 403,000 bu comed with only 198,000 bu last year. Stocks at Kansas City, Duluth Minneapolis so far show a net decrease of 553,000 bu. We doubt ther the week's decrease in the visible supply published next day will be as great as the one last year, which amounted to 57,000 bu.

Trade was light, but toward the end of the session new liquidan occurred, affecting the price level. At the close wheat showed ecline of 3/4¢ to 7/8¢ per bu in the various futures.

The corn movement is q uite heavy compared with last year n the crop, of course, was much smaller, but hog prices are mainning a high level, advancing again today; and the temptation for farmer to feed his corn rather than to ship it is very great. refore we see no danger in the present level of prices.

Oats are also shipped in very freely, which is all the more prising as the price obtained nets such a small amount in the ntry. Primary receipts were 391,000 bu against 65,000 bu last year. course it must not be forgotten that the quantity left on farms very heavy. Elevator men are able to purchase oats for May concts at a moderate profit. We, therefore, look for fair deliveries May, unless the difference to July should widen sufficiently so t the owner would be tempted to transfer his hedges into later ths.

Trade in rye is very indifferent and the price changes are gely influenced by the other cereals.

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March 21, 1936

The possibility or even the probability of some moisture in the
thwest the coming week was the chief influence on the market today.
all know that crops cannot be raised without moisture, and all of
also have not forgotten the tremendous havoc to the wheat plants
st year and the two preceding ones through drought. But we also re-
ber that in other years great fears had existed that it would never
n and finally precipitation came in time to save the crops. We
ieve at the present time the wheat prospects in many parts of the
thwest are in the balance, and with timely rains, Kansas particu-
rly could produce a very heavy yield. Having the largest acreage
any State in the Union, it would be all important to the surplus
ch might be raised and the outcome of the price level.

The prediction over Sunday is for probably occasional rains in
nsas, and for the week it is indicated that precipitation is likely
esday or Wednesday, and then again about Friday or Saturday. Even
these forecasts will be materialized, much, of course, will depend
on the amount of moisture with which the plant will be favored.

Cables were again rather indifferent, futures at Liverpool de-
ining about 1/8¢ per bushel, although March wheat declined as much
1/2¢ per bushel.

Europe continues to have her eyes on the large available stocks
ill left in Canada, which on March 13 amounted to 244 million bu
mpared with 270 million bu last year. This includes 20 million bu
wheat which are still supposed to be in farmers' hands. This es-
mate is based on government figures as to the size of the crop.
e daily farmers' deliveries indicate to us that possibly later on
ere might be a revision, showing that the crop is larger than previou
estimated.

Domestically we still have to contend with very heavy primary
ceipts, amounting to 420,000 bu versus 211,000 bu last year. Stocks
Kansas City and Minneapolis so far this week decreased only 621,000
. We also assume that Chicago stocks will not have disappeared in
ch quantities as in previous weeks, and last Monday the amount of
eat in this city still amounted to 5 1/2 million bu. It is there-
re quite likely that the amount remaining unshipped on May 1, the
livery day, will be quite considerable.

The demand for cash wheat from Chicago was less urgent, but
vertheless during the session both short covering in May wheat and
w aggressive buying lifted this future considerably from the early
pressed price, the final close being unchanged compared with yes-
rday. However, July and September wheat could not recover equally,
d closed 1/2¢ per bushel lower.

Corn primary receipts are large for the immediate demand-
2,000 bu at primary points versus 250,000 a year ago. The price is
ffering some from the increased amount of hedges. However, with
g prices keeping at a high level and lard improving in value, we
ink finally no low price need be feared for this cereal.

Trade in oats and rye remains extremely light and speculative
terest is at a minimum.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 23, 1936.

Cables were reasonably strong before our session opened this
rning, but gradually lost all the advance and at the close were
to 1/2¢ per bu lower than on Saturday. The decline was probably
sympathy with our lower prices which also affected the Winnipeg
ket. Otherwise we see nothing in the foreign situation to antici-
e any great break in prices.

World shipments continue to be light --8,750,000 bu for the week
sus 8,410,000 bu last year and the anticipated increase of require-
ts as the season gets along is not materializing. The amount on
sage of over 37 million bu seems to relieve any present anxiety
ut available supplies; and, of course, as long as foreign millers
able to obtain daily from Canada whatever quantities they need
hout being forced to pay fancy prices, they seem to continue to
k from hand to mouth awaiting new crop results.

Political news is practically no factor at the present time, nor
s the foreign financial situation enter into the speculative
ture at the moment, although nobody can tell what might happen
denly and unexpectedly.

Finances in Italy must be extremely bad when it required a
ancial dictator with almost unlimited power to control all banks
deposits. There were rumors, but emanating from Paris (which may
be correct) that there were runs on German banks and that infla-
n of the currency is almost inevitable. The discount for future
ivery of French francs is widening again and with the exception
England, there is not a country in Europe which would be in a
ition to make large loans to any of the p oorer countries. Of
rse America would be in a position to prevent a catastrophe should
be in sight, but it is not likely from past experience that
eign loans could be placed here. It looks to us, however, that
tever happens will be only a de facto realization of the present
ificial situation and should have no effect on wheat prices.

There were a great number of reports of dust storms in the South-
t, but they were absolutely ignored, because at the same time the
ther map indicated a change in atmospheric conditions. All
dents of the weather map are unanimous in their belief that during
next 24 or 48 hours precipitation over the whole Southwest is in
ht. This created a very weak feeling, with lower prices, but
trade appears to be so scared that a great many wish to wait for
ual rains before entering into commitments on the selling side.
seems as if the weather during the next 24 hours will be the decid-
factor in determining the price trend for tomorrow.

Primary receipts continue to be large if compared with last year,
ng 549,000 bu today versus 251,000 bu parallel week in 1935. Under
se circumstances, old wheat stocks are not decreasing as rapidly
was to be expected. Today's decrease in the visible supply amount-
o 1,697,000 bu against 1,857,000 bu a year ago. The visible now
48,350,000 bu, which is 2,709,000 bu less than in 1935 at this
iod. However it is a disappointment that Chicago stocks decreased
y 100,000 bu and are still 5,417,000 bu, which is quite a fair
ntity considering the big premium prevailing for the May future.
hink that unless Chicago stocks decrease faster holders of cash
t might become more scared than the shorts in the May delivery.
course, in any case, nobody would wish to carry much wheat into
new crop at prevailing premiums; and it is only the belief that
ll might be wanted before the next harvest which keeps it so high.

At the close wheat showed a decline of 3/4¢ per bu for the May
ure, and 1 1/4¢ per bu for the July.

Corn receipts are quite heavy, being 953,000 bu, whereas last
they were only 451,000 bu. However hog prices are again higher,
it is not likely that this heavy movement will last for any
th of time. The market closed lower.

Oats and rye took no independent stand and sympathised with the
r cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
' YORK PRODUCE EXCHANGE
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YORK COFFEE AND SUGAR EX.
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 24, 1936.

At the present time the trade is studying fundamentals more
an ever before and tries to reason out what the wheat situation will
three months hence, when the northern hemisphere will start to
rvest its new crop. Less attention is paid to individual transactions
everybody is aware that no person, or group of men, will be strong
ough to influence seriously the price level, provided world con-
tons finally suggest either higher or lower prices. It is quite
dent that should the United States produce yields much in excess of
nsumption, a market abroad would have to be sought for the surplus,
l this could be done only provided we would sell our wheat as low as
r competitors. There remains the possibility, but not the pro-
bility, that the government might subsidize our merchants so that we
uld sell wheat and flour cheaper abroad than in our domestic markets;
t this policy is not very popular as sometimes it leads to reprisals,
l for the present it should be left out of consideration. The
partment of Agriculture, in a special report, declared that with
rage yields, and assuming farmers in the Northwest carried out their
entions for planting in March, a total crop of about 880,000,000 bu
indicated. This naturally created q uite an impression, and while
is no surprise, coming from such an authority, it set a great many
aders to thinking. Of course for the present this is all more or
ss a guess because a great deal will depend upon weather conditions
om now on. As far as spring wheat is concerned, it is not even sown
t and it will be subject to all vicissitudes of inclement conditions
ould they arise. Nevertheless the feeling in general is very
timistic because the Northwest had more snow than in any of the last
ve years, and the Southwest crop promises extremely well provided we
ve normal precipitation from now on. The central states have been
vored greatly with moisture and the percentage of winter killing
ll probably be very small; therefore, with large acreages standing,
least the possibility of better than average crops is in sight.

The foreign situation offers comparatively little encourage-
nt. Liverpool cables were a trifle higher for the nearby futures,
out 1/8¢, and about 3/4¢ per bu lower for the October delivery;
nnipeg also showed great weakness. As long as the biggest importer
mains indifferent, and the largest exporter is willing to make con-
ssions, we are not likely to have an independently bullish situation
re.

Foreign exchange quotations vary but little at the present
ne. Nobody is sure what might happen after the French elections are
er. At present French government bonds are selling at the lowest
nt since 1928, when devaluation took place; 4 1/2 per cent bonds
quoted at about 75, or pretty close to a 6 per cent basis. Before
4 the French Government had enjoyed practically the best credit of
y country in the world; and as she has to be a continued large borrow-
, a six per cent interest rate seems prohibitive.

The trade here was rather disappointed that there were no
ious rains overnight in the Southwest, where they have been expect-
Everybody wishes that large crops would be raised; this would
helpful to business in general. It would create much more employ-
nt among the farmers themselves, also among elevator men, railroads,
pping interests, insurance companies, etc. Prospects, however, are
y for scattered moisture overnight, but new hopes are being ex-
ssed, judging from the weather map, that after Wednesday rains
ht partially relieve the drought where it still exists. The
ence of moisture gave us a higher opening, and while not all the
vance could be maintained, yet the close was 5/8¢ per bu higher than
sterday.

Primary receipts still are much larger than last year --319,000
today versus 103,000 bu in 1935. Stocks to date at Kansas City and
nneapolis show a decrease of 243,000 bu.

Primary receipts of corn continue to be large --510,000 bu
mpared with 226,000 bu a year ago, but as our stocks are so very
ll we can easily stand some further accumulations in order to meet
better demand which is bound to come later on. At the close corn
owed an advance of 1/4¢ per bu.

Oats, which had been weak for a long time, showed good re-
very today; but rye continued to be neglected, and sales could only
made at sacrifice of price.

DAILY MARKET LETTER

MEMBERS:
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TELEPHONE HARRISON 6282
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 25, 1936.

The Liverpool market does not fluctuate a great deal just now,
there were moderate declines lately, particularly in the October
re. The fact that fears exist there will be a large crop in
ica and that offerings of Pacific white wheat for August ship-
are being made disturbs confidence. For a number of years
ed States has not been a factor as an exporter, and of course
ld this situation change radically it would have a depressing
ct. This all the more so as soil conditions in Canada are ex-
ely favorable and further snows and rains took place overnight
e which ought to further improve the future outlook. This, of
se, may be further inducement for a large acreage in Canada and
r two or three poor crops she might be favored with a very much
er one this year. However this outlook refers to more distant
ts which might occur, and at the present time all attention is
g paid to the prospects in our Southwest.

Inasmuch as the winter wheat area in Kansas alone is almost
-third of the total winter wheat acreage, the crop results there natural-
ill become all important. As we see the situation at the present
, confirmed by practically every farmer and crop expert, in-
tions are that very little damage has been done up to the present
and that the outlook remains favorable; but a certain percentage
ences to suffer from the drouth and precipitation would be very
rable and will become essential after a while. Nobody can tell
tly the dividing line when sufficient damage will actually have
done so that recovery will become impossible, but we believe
this stage has not been anywhere near reached, but every day that
sture is delayed causes increased anxiety. Last night's weather
ecast in the newspapers led many people to think that moisture
d be probable within twenty-four hours, but when the official
iction came out this morning prospects seemed less favorable and
market immediately firmed up.

Little attention is being paid to statistics although the move-
for the day was lighter than of late and primary receipts were
242,000 bu, but still larger than last year when they were
,000 bu; however, the discrepancy was not as great as of late.
ther this decrease in farmers' sales was just accidental or whether
ill be the beginning of a decreased movement from now on, remains
e seen. In the meantime no great inroads are being made on
ks at terminal points, Kansas City actually increasing 50,000 bu
Minneapolis decreasing only 210,000 bu up to date.

Canadian exports continue to be disappointing, and according
Bradstreets wheat and flour exports for the week were only 1,396,-
bu. Everybody had been figuring that Canada would be able to get
of an average of 5 million bu per week, as long as Argentina
hardly any surplus left for Europe, and since Australia is the
other big competitor.

The political situation abroad is at a standstill and it will
almost a week before Hitler will make his answer to the pro-
al of the other Locarno powers.

Not much attention is being paid nowadays to possible inflation,
at this time it becomes interesting to delve into past history
find out how many times inflation took place --in fact, it seemed
have been necessary from time to time after governments had ex-
sted their taxing power and when their debts became too burdensome
resort to this remedy to get a new start. Of course this was only
at very great intervals. The present price of gold in England
troy ounce is about 140 shillings.

In the year 1351 it was 26s.
" " " 1464 " " 32s. 9 1/2d.
" " " 1549 " " 60s.
" " " 1611 " " 70s. 10 1/2d.
" " " 1633 " " 80s. 11d.
" " " 1699 " " 85s. to 86s.

There was practically no further change until the devaluation
1931.

(OVER)

At the close wheat showed a decline of 3/4¢ per bu for the May future, and 1/2¢ for the July.

Stocks in Chicago are not being reduced as rapidly as was expected, and unless the milling demand again picks up considerabl we shall be left with a fair-sized amount of wheat in Chicago elevators on May 1st, which may constitute a threat for deliveries unless a better outlet is found by that time. Nobody can afford t carry much wheat over into the new crop with discounts for the Jul wheat prevailing as they are now.

Primary corn receipts also show some falling off, being 477 bu compared with 755,000 last week, but only 158,000 a year ago. Hog prices continue strong and are actually higher; while this condition lasts feeding will take place on a large scale. We think this cereal is cheap enough.

Oats and rye remain neglected with rather a downward tenden

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DAILY MARKET LETTER

MEMBERS:
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141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 26, 1936.

News as affecting wheat prices was again very indifferent, and t sensational anywhere. Liverpool futures closed 1/8 to 3/8¢ per higher; there were no Black sea shipments this week, but millers the United Kingdom still remain very small buyers, drawing their pplies from Australia and Canada without any difficulty and with-t being forced to pay higher prices.

Weather is being closely watched here. Showers are indicated ain for Iowa, Missouri, Illinois, Indiana and Ohio, where they no ubt will do lots of good. However the outlook for precipitation western Kansas is not particularly encouraging, although there are gns of some light snows in those portions. The consensus still is at prospects for a good winter wheat crop in the United States are ry favorable, but the proviso always has to be made that timely ins will come in the southwestern area where they are badly needed.

Right after the opening the broad tape carried a statement that cretary Wallace sees a return to old price depressed surpluses of eat, corn and hogs in the next year or two, assuming we have average ather conditions. He also predicts a big carryover for 1937; and ds that it will take unusual cooperation in order to export. Of urse it remains to be seen how much our consumption and exports uld be increased with lower prices, as cooperation among the various tions has proved to be a complete failure. It seems that nobody kes seriously any more the propositions which were agreed upon at e London conference. It is most unlikely that cooperation can be und among 48 nations, some of them being interested in obtaining eap wheat, and others in selling it at high prices, particularly nationalistic feeling is still very rampant.

Canadian wheat imports for consumption into the United States r the week ended March 14 amounted to 504,000 bu, and the total om July 1 up to date is 26,106,000 bu. As it was believed at one me that 50 million bu might be imported, calculations as to the obable carryover will have to be somewhat modified, as it is not kely now that total imports will amount to more than 35 million bu. r Canada, of course, it was a "God-send" that this extra demand de-loped from a country which usually is an exporter instead of an porter, because even with that, Canadian wheat stocks now are only million bu less than they were last year. Consequently without is windfall from the United States there would have been no reductio supplies, in spite of their poor crop. This makes it clear again at might happen if next year Canada should have more abundant elds and no outlet except European and other non-European countries. is is particularly significant, as for one reason or another the mand to the Orient seems to be dropping off, and since August 1 ropean requirements were only 6 million bu less than in the past ar, but ex-European countries, excluding, of course, the United ates, were 17 million bu less.

Primary receipts of wheat are showing more or less the same ndency which has prevailed now for several days, being smaller than e previous week, but larger than last year. Figures today are 8,000 bu versus 341,000 similar day last week, but only 116,000 bu me period in 1935. Stocks at Kansas City and Minneapolis so far thi ek show a decrease of 254,000 bu, leading us to believe that the crease in the visible supply next Monday will be very moderate.

At the close the price of May wheat was unchanged, with July owing 1/4¢ per bu advance.

Corn receipts are quite modest, being 426,000 bu, and it appears though the heaviest movement for the time being is over. There is particular pressure, and this cereal lately has kept up pretty well price, while at the same time rye declined very sharply, and oats so had been on the down grade. We believe the purchase of corn ainst the sale of wheat might prove profitable in the end.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 27, 1936

:iverpool cables showed reasonable strength today, their futures
.ly advancing 1/8 to 1/2¢ per bushel compared with yesterday.

There may be several reasons for the higher prices abroad. One
iem undoubtedly is the very small prospective world shipments this
, Australia and Argentina together cleared only 4,218,000 bu of
;, and from all indications Canada also exported only very mod-
e quantities, so the total amount put on passage must be much less
normal weekly requirements. This is particularly surprising when
rone had expected that by this time the home-grown wheat in the
ous European countries would have been absorbed and larger im-
.tions would be absolutely needed. Possibility also the serious
issions on the German situation which took place in the House of
ons yesterda y we re a reminder that the political situation, while
.mmediately dangerous, is still surcharged with possibilities in the
re which cannot be entirely ignored, and which might have influenced
east some of the more cautious traders to take cognizance of it.

There were no rains in the dry districts overnight, consequently
rthing was encouraging for the bull early, and our futures opened
easonable advances. During the session scattered liquidation took
in May wheat, and an official weather forecast, predicting un-
.ed weather with possible rain or snow in western or north central
.ons of Kansas again created hesitancy on part of prospective buy-
o increase their commitments. At various periods the Minneapolis
et was extremely weak, showing material declines, and the actions
at important milling center cannot be lost sight of.

'e have now come to the conclusion that at one time or another
individuals who ordinarily are not interested in the wheat market
purchases during the last six months, first as a protection
ist possible inflation and later on account of the more compli-
l European political situation. These buying orders came chief-
rom the East where wealthy operators were very nervous at times,
iow the tendency prevails to clean up these wheat commitments. As
.sequence, open interests, which at one time were as large as 140
.on bushels, have declined to 98,675,000 bushels. It is quite
ble that before delivery day arrives more of this liquidation will
place instead of the wheat being transferred to deferred futures.
d this supposition be correct, a further narrowing between May
uly wheat might take place.

'rimary receipts were quite moderate today, being 259,000 bu com-
to 403,000 bu last week and only 178,000 bu last year. Receipts
light at practically every point except at Kansas City, but since
has been a great falling off at interior points of surrounding
s, we think the movement might be still smaller and decrease
aily until the new, harvested wheat is brought to market.

tocks at Kansas City, Duluth and Minneapolis show a decrease this
of only 262,000 bu. As the movement out of Chicago is also much
er than it was, we look for only a very moderate decrease in the
le Supply, which will compare with a decrease of 2,798,000 bu in
similar week. Should this be the case, there would be only a
difference left between the two Visibles and finally, with small
tations which will undoubtedly continue on the first of May or
on the first of July, stocks at terminals might prove to be
r than last season. Nevertheless, we do not expect any radical
e in the level of prices until finally the moisture question is
that we may reasonably decide whether the winter wheat prospects
or a large, moderate or underaverage crop. However, present-
ations are still for winter wheat yields much larger than last
and probably above average.

t the close, the market showed a decline of 3/4¢ per bu. for May
and 1/8¢ for July.

orn continues to show independent strength. Primary receipts are
urdensome, amounting to 472,000 bu compared to 766,000 bu last
and 352,000 in 1935. We believe the heavy feeding demand will
nue and will finally absorb the bulk of our crop. Oats, on the
ary, remain plentiful with a large carryover estimated and are
nually on the bargain counter. Rye also has lost most of its
ds and closed lower, with nothing in sight to induce heavy pur-
s.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 28, 1936.

Liverpool wheat cables were practically unchanged today, some
ures advanced about 1/8¢ per bu while others declined about as
h; Winnipeg also hardly fluctuated. The trade here is entirely
luenced by the domestic situation. A great deal of attention
being paid to both the poor milling demand at present on the one
e, and the continued drought in the dry districts on the other.
re was again great disappointment that no moisture was received
re it was needed the most. A continuation of dry weather would
arge the area where precipitation is needed, and deterioration
l take place.

The weekly forecast is reasonably encouraging, but not definite
ough to be sure that there will be much precipitation the coming
k. It indicates rain or snow for Tuesday or Wednesday, and fair
ather for Thursday and Friday, with possibly rain or snow on
urday.

Wheat sales from Chicago overnight were only 6,000 bu, but the
ade is becoming increasingly nervous about moisture conditions in
Southwest, and with further encouragement in advancing prices
Minneapolis there was a firmer undertone, the close being 1/2¢
bu higher.

Primary receipts today were only 278,000 bu compared with
,000 last week, but last year they were only 121,000 bu. Stocks
Kansas City and Minneapolis so far this week show a net decrease
173,000 bu. It appears very much as if the visible supply would
rather bearish on Monday on old-crop futures; we estimate the
rease as being not much more than half of what it was a year ago.
visible last Monday was 48,350,000 bu. In 1935 there were
ady decreases every week in pretty large amounts until on May 4
had decreased to 37,727,000 bu. While naturally this is all more
less of a guess, nevertheless we figure that barring a complete
ange in a much larger output of flour, that this season by de-
very day stocks at terminal points will be in excess of those of
ear ago.

The corn situation presents a different picture. The general
vement is smaller than a week ago, primary receipts being 539,000
today versus 792,000 last week. There are no great accumulations
stocks, and at the opening of navigation usually there is an im-
oved demand from the East. With a greater feeding demand, we see
great pressure in sight. In fact prices seem to be creeping up;
d we still believe that the purchases of corn against sales of
eat will prove to be profitable.

Oats and rye remain neglected, and advanced moderately in
mpathy with the other cereals.

There is a steady decline in French exchange, but of course
ch that country being on a gold basis, recessions are limited as
the point at which gold will be exported; and this is the case
v. However it is different with quotations for sixty or ninety
ys now at a very big discount, which show the great fears in that
untry over monetary conditions; and opinions are about equally
vided as to whether devaluation will or will not take place in the
ar future. We, ourselves, feel that whatever the result will be
will have no permanent effect here on either our business con-
tions or on our commodity prices.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
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MODITY EXCHANGE INC.

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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 30, 1936.

We doubt if Board of Trade members ever so universally ex-
ssed a wish, as they do now, that this country be favored with a
d wheat crop. The reason is not as one might imagine, because
y of them are short and would benefit from a decline in prices,
they all hope for a good outturn in yields feeling it would have
y benefits far surpassing a temporary speculative profit. It has
n clearly shown in the last three years that with short crops it
impossible to develop a good trading market and have a large volume
business. One of the essentials is to have a fair-sized stock of
at at terminal points on which to trade; also large crops mean heavy
ging sales and a larger movement, which in itself entails many
itimate transactions which otherwise do not take place. With short
ps the tendency naturally is for millers to buy up early the sup-
es in their vicinity so as to obviate the necessity later of draw-
from terminal markets and paying freight and other expenses. It
, therefore a distinct disappointment that again for forty-eight
rs there has been no rainfall in the dry districts, and the only
siderable precipitation took place in Nebraska, other parts of the
thwest being neglected. Early the weather map looked to many as
the chances for moisture might be favorable in the next twenty-
r hours; but when the official forecast came out hopes were again
te diminished and unless the official prediction should prove
orrect, we do not look for much moisture by tomorrow morning when
next session opens --at least not in the dry districts.

Under the circumstances the undertone of the market was strong
ring most of the session, but as of late fluctuations were compara-
ely small and it seems to be difficult to make much headway for
ious other causes: First, Liverpool continues to show great in-
ference and their futures advanced only 1/8 to 1/4¢, which was less
n we did on Saturday; this in spite of the fact that world ship-
ts were only 9,379,000 bu compared with 10,751,000 bu parallel week
1935. World shipments for the past nine months are practically
million bu less than last year, showing the decreased consumption
oad, and it is quite evident that total clearances from the export
ntries will be much below Broomhall's earlier estimate of 540 mil-
n bu for the year, even assuming that the next three months will
w heavier importations on part of Europe and ex-Europe.

The Winnipeg market also shows no signs of life; the same
dency prevailing as heretofore: namely, the desire to sell as much
h wheat as possible rather than obtain higher prices for smaller
antities. This policy will be a deterrent to immediate sharp
ances.

Domestically the final outcome of the old-crop future is also
ng much discussed, and remains an uncertain quantity. The nearby
ure still stays at a high premium over the July, the first new-
p month. The primary movement continues on a much larger scale
n last year, today's receipts being 549,000 bu versus 172,000 bu
ear ago. In consequence the visible supply is not decreasing as
t as was expected, stocks being only 1,149,000 bu less than last
k, while the decrease in the visible supply in 1935 was 2,438,000 bu
the present time the visible of a little over 47,201,000 bu is only
20,000 bu smaller than in 1935, while at one period in 1935: namely,
y 27th, the difference between the two visibles was as much as
,547,000 bu. We gradually gained and closed this gap, with the
bability now that on both May 1st and July 1st this season the
ible stocks will be larger than the previous year. Stocks in
cago decreased for the week only 143,000 bu, which ordinarily
ld have had a depressing effect on the May future, but it seems
re was sufficient short covering to prevent this.

At the close May wheat showed an advance of 1/2¢ per bu com-
red with Saturday, and July 1/4¢ per bu.

Premiums on both hard wheat and red wheat in Chicago have shown
ite a decline from top prices, and unless there is a better demand
the cash wheat there might be fair-sized deliveries during the
nth of May.

(OVER)

A better demand was reported for corn, and this cereal held
very well. We believe the trade does not quite appreciate the en
amount of feeding which has been going on right along, and which
continue and prevent great accumulation of stocks. The increase
the visible supply was only 455,000 bu this week; the total now
amounts to 7,200,000 bu compared with 19,775,000 bu in 1935, or
12,575,000 bu less.

The oats visible keeps large at 37,735,000 bu, and decrease
only 250,000 bu last week. With another crop coming on the marke
three months, we do not see much hope of any permanent rally, but
believe this cereal will have to pay good carrying charge for a l
time to come.

Rye remains neglected, but closed a little higher in sympat
with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO March 31, 1936.

When one considers that the official rainfall from December 1,
5, to March 27, 1936, was very much below normal it is easily
erstood why at the present time there is a tremendous interest in
ther conditions. Comparisons are as follows:

ge City-	0.83	inch	compared	to	2.58	normal	Dec.1st	to	April	1.
rillo-	1.38	"	"	"	2.73	"	"	"	"	"
hita-	1.17	"	"	"	4.78	"	"	"	"	"
ahoma y-	2.82	"	"	"	5.78	"	"	"	"	"

For several days it appeared as quite probable that more moistur
ld be received in the dry district of the Southwest, but every
ning the trade was disappointed and today was no exception. How-
r, after the opening of the session, when students of the weather
looked at it they almost uniformly came to the conclusion that
outlook for moisture in the western part of the winter wheat belt
now more favorable than it had been; later this was confirmed by
official prediction. Speculators and traders assumed at once
t they were justified in acting as though the moisture had already
e, and selling took place on a very large scale, longs liquidating
shorts taking courage, figuring that lack of moisture was the only
ng that kept wheat prices at the present level with such a large
nted acreage.

Transactions in May wheat were on a very much more limited scale
ause a great many operators believe that there are other elements
take into account when the price level of this future is considered.
re was a somewhat better demand for cash wheat, and, furthermore,
re are still some uncertainties as to just how large will be the
ntities of wheat which will be available on May contracts and the
r of at least a temporary tightening-up at times on account of only
erate stocks. We ourselves do not share this opinion because we
d that premiums have been declining until they are almost non-
stent as far as red wheat is concerned, and with a better outlook
mers would certainly be disposed to take advantage of the premium
ch is prevailing over the new wheat and market their holdings more
ely later on.

We believe there are also plain indications of a reduced country
ement. Receipts at interior points of Kansas are becoming quite
ll, and total primary receipts today were only 267,000 bu compared
h 319,000 last week, but still somewhat larger than last year
n they amounted to 205,000 bu. Stocks at Kansas City and Minneapol
far this week show a decrease of 107,000 bu.

Importations from Canada are also on the decline; the actual
unt of wheat on which duty was paid for the week ended March 21 was
y 196,000 bu. With the great drop in prices of Minneapolis futures
ely, we doubt whether the present level justifies any further im-
tations ; and, of course, to that extent the domestic situation
ld strengthen.

Liverpool wheat cables closed unchanged to about 1/2¢ per bu
her, but it is doubtful whether these prices can be maintained to-
row, since during the session Winnipeg sympathised with our weak-
s. The chances are that foreign markets will be influenced by the
aper offerings from Canada.

During the session liquidation was almost uninterrupted, and at
close there was a decline of 1 1/2¢ per bu in the May wheat, and
/2¢ in the July.

There were heavier sales of wheat overnight, but at steadily
uced premiums; total sales were about 62,000 bu. It was also re-
ted that a transaction of contract wheat which is already in
vators took place yesterday at below the May price. With dwindling
miums for the cash wheat, the chances of course are more favorable
deliveries on May contracts, provided the demand in the meantime
s not absorb the very moderate stocks here.

If the weather overnight or tomorrow should not be as expected
, it would cause a quick change of sentiment.

There was a much improved demand for corn; primary receipts
by no means burdensome, being 407,000 bu, while shipments amounted
275,000 bu. Owing to the very light stocks here in Chicago, the
corn advanced to a bigger premium over the deferred futures. The
n market declined entirely in sympathy with the weakness in wheat.
s and rye also could not withstand liquidation which occurred in
pits.

DAILY MARKET LETTER

MEMBERS:
.GO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 1, 1936.

Liverpool cables closed 1/4¢ per bu higher on the May future, and
¢ lower on October, the deferred one. It seems the same tendency
n evidence there as in our domestic market. The trade is dis-
ting the fact that probably next year supplies will be more abun-
; and, therefore, the prevailing opinion is to the effect that the
sent level of prices cannot be maintained when the new wheat crop
harvested and comes on the market. This judgment is undoubtedly
ified, provided normalcy exists during the coming months which
intervene until the various crops finally mature. It is
rally in the mind of everyone that last season virtually every
orting country obtained very small yields. There was hardly an
eption, unless possibly Australia, but even that country produced
s than the previous season. However extremely poor crops were
sed in Canada and the United States, as well as in the Argentine,
it is not likely that such conditions will be repeated. Further-
e, even Russia exported only very small amounts, and with the tre-
dous efforts being made to increase her acreage, she might become
reat factor again in supplying the importing world with heavier
ntities.

This, of course, becomes all-important to our domestic market,
the event that our total production should exceed to any extent
normal consumption. An estimate was given to the trade today by
of the crop experts of 543 million bu for winter wheat. If this
uld be realized, with fair yields in the spring wheat territory,
s country on a larger acreage in the Northwest might produce
million bu, which might be easily 150 million bu in excess of re-
rements.

Hopes were increased today by those who desire a big crop on ac-
nt of some moisture in the dry districts. They also feel that good
lds will be beneficial all around --namely, to the farmer, the
chant, railroads, steamship agents, etc. It cannot be said that
situation in Kansas, the great winter wheat state, has been re-
ved; but it is not impossible judging from the weather map that
ther precipitation will fall during the next twenty-four hours,
, therefore, prospects may be considered as reasonably fair at
present time. It should not be entirely forgotten, however, that
re is lack of subsoil moisture and when the growing weather starts
h warmer temperatures timely rains will be needed occasionally for
best development of the plant. We think Nebraska so far has
n more favored with moisture than other southwestern states, and
outlook there is quite encouraging.

In the meantime the movement to primary markets shows a decided
ling-off, and total primary receipts today were only 151,000 bu,
le shipments were 210,000 bu. This, for the first time in a long
le, gives us smaller receipts than the corresponding day last year
n they were 175,000 bu; and as they are also smaller than last
k it is possible that farmers have reduced their holdings to such
extent that from now on greater inroads will have to be made in the
ible supply stocks. So far up to date they show a decrease of only
,000 bu for both Kansas City and Minneapolis. There were sales re-
ted today of 90,000 bu of wheat here in Chicago.

The fact that the total stocks of wheat in public elevators in
cago are only 1,589,000 bu compared with 1,784,000 bu has a
timental bullish effect, as under the circumstances no heavy de-
veries in May are in sight unless there should be another movement
Chicago. Such an occurrence, of course, would be possible pro-
ied the farmer in the central states would find himself with a sur-
us which he would not consider advisable to carry into the new crop.
re are too many uncertainties to be very positive one way or
other as to the final outcome, except the present premium of about
¢ for May wheat over July seems to already discount a great deal of
apparent scarcity of old wheat and the probable abundance of new
eat.

At the close wheat showed an advance of 3/4¢ per bu for the May
ture, and 3/8¢ per bu for the July.

Primary corn receipts continue to be light, only 448,000 bu com-
red to 477,000 bu last week. Fair sized sales are reported out of
icago every day, and we think this cereal is in a very strong
sition.

Oats and rye remain neglected without any pronounced tendency.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
:HICAGO BOARD OF TRADE
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YORK COFFEE AND SUGAR EX.
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

April 2, 1936

Liverpool wheat cables closed very weak, showing a decline of '4 to 1 1/8¢ per bushel for the day. This continued weakness abroad nnot be ignored when it is considered that the crop prospects for nterwheat are such that we are likely to have a fair sized or large nount of wheat for export after the new crop is brought to market. oday the private experts issued their estimates, the average of which as slightly lower than the one given out yesterday, it being 536 llion bushels for winter wheat. Assuming we accept the estimated gures of 15.6 per cent for abandonment of acreage, there would be eft on a planted acreage of 47 1/2 million acres, after deducting 1/2 million acres for abandonment, 40 million acres standing which ould compare to 31 million acres last year The average yield in 935 was 14 bushels per acre so a similar result this year would ve us 560 million bushels. Therefore, we consider the estimates s quite conservative. When taking into further consideration hat there are good soil conditions in the Northwest, and the large creage which is expected to be planted, the United States might be onfronted with total yields of 800 million bushels, or easily 150 illion bushels for export. This would then give us a carryover he same as this year, which seems to be plenty at 140 million bushels r more.

There was less excitement today on part of shorts or hedgers o cover their commitments in May whest, and the demand for same was omparatively poor. Sales out of Chicago were less than the day efore and this caused less anxiety that there might not be suffiient supplies here for delivery this coming May to satisfy everyody. Also, there was not the same positive feeling that the flour hich is supposed to be distributed for relief in the flood districts, nd in other parts of the country, will have to come from Chicago s there is plenty of wheat left among farmers on the Pacific Coast, lso in Indiana and Ohio.

Primary receipts continue to be light, only 226,000 bushels ompared to 278,000 bushels last week and 187,000 last year. Stocks t Kansas City and Minneapolis so farthis week show a decrease of 77,000 bushels.

The political situation in Europe is still causing more or ess comment, it being reported that friction between England and taly is again very great, probably because of the near advance of talian troops to Lake Tana. This spot is most importa nt to ngland, Egypt and the Sudan as the Nile sources originate there. here are also further rumors about friction on the Mongolian fronier. Inasmuch as these foreign dispatches had absolutely no ffect on the stock market, nor did they influence the English wheat arket, this news was ignored and perhaps the fear of dangerous omplications may be exaggerated.

During the last hour of the session, the Winnipeg market broke n a rather sensational way. This was all the more unexpected beause it was assumed their market is more or less controlled by overnmental agencies and that it would not be permitted to suffer, n one day, any such break as took place today. This caused exreme weakness here, and at the close the market showed a decline of 3/4¢.

Corn declined partly in sympathy with wheat. It was also reorted that offerings from the country are more liberal. However, e do not assume the movement will be sufficient to become a burden.

Oats and rye sympathized with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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ORK COFFEE AND SUGAR EX.
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 3, 1936.

On July 17, 1933, or nearly three years ago, September wheat
hicago sold at $1.20. It is selling now at about 82¢. At that
the visible supply of wheat was 125 million bu versus 47 million
at the present time. There were larger supplies everywhere in the
ld and the principal reason for the strength in 1933 was the fear of
lation. Whatever was anticipated at that time regarding inflation
occurred even in a more accentuated form than was expected. Gold
er on was devalued over 40 per cent, increasing production all over
world; silver prices were artificially raised and enormous quantitie
purchased here and abroad, against which currency was issued;
ey was being spent freely, incurring budgetary deficiencies, in-
ased government borrowings and a tremendous increase in bank deposits
k place, and money rates declined to unheard of low points. It is
an appropriate question whether all the reasoning at that time was
ng or what happened that results are so different from what was
ected. We ourselves believe that the great mistake was made in
time element. Inflation is a very slow, creeping disease, and be-
e its full effect is felt, many other things might happen, and did
pen.

As far as wheat is concerned, which is a world commodity, sup-
es had been so large that it took almost these three years to re-
e them to normal proportions. In the meantime also there was a
nge in the policy of the Canadian government which resulted in free
erings from that country, supplying all importing countries with
tever they needed at satisfactory prices. What are the necessary
clusions, assuming that the original ideas concerning the effect
inflation on wheat prices were correct? The answer would be that
ults might not be felt for years to come, or at least during the
t twelve months, taking it for granted that supplies, with larger
ps, should be very plentiful again compared with a diminishing de-
d from abroad; and we might still see a very low level, although
sent prices on basis of gold would only correspond to 50¢.

The continued weakness at Liverpool creates a very bearish
ling at times. Futures there declined 1 1/8 to 1 5/8¢ per bu com-
ed with last night. Winnipeg during most of the session also showed
ater weakness than our market. This is happening despite the fact
t the Southern Hemisphere is shipping only very small quantities:
entina and Australia together cleared 4,180,000 bu against 6,295,000
last year; and the deficiency can only be made up through heavier
portations from Canada.

Domestically there was no material change. The precipitation
rnight, particularly in the dry district where more moisture is
ly wanted, was insignificant, although new hopes are entertained
t over Sunday moisture might be in evidence. There are at least
e indications that this might occur, according to the weather-map
ders. Milling demand remains rather indifferent and sales out of
cago were rather small overnight.

Primary receipts continue to be light, 198,000 bu versus 216,000
last year, and 259,000 a week ago. Stocks at Kansas City, Duluth
Minneapolis so far this week show a decrease of 204,000 bu; and we
inclined to believe that the visible supply next Monday will again
w only a small decrease, and considerably less than last year
ilar period. The indications according to our judgment are still
t on July 1st the amount of wheat carried over at terminal points
l be larger than last year.

At the close the market showed a decline of 1/4¢ per bu for
May delivery, and an advance of 1/4¢ per bu for the July.

Primary receipts of corn are larger than both last week and
st year, and the heaviest movement seems to be to Chicago, while
er centers are only receiving moderate quantities. However, the
vement out of Chicago is very heavy. This, together with the weak-
ss in wheat, had a slightly bearish effect, but we still believe
t there will be no sizable accumulations of this cereal and that
sent prices are fully justified.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
V YORK PRODUCE EXCHANGE
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YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
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CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

April 4, 1936

To illustrate the importance of weather conditions after this
te, we only have to point out what happened during the last four
ars. Average April private estimates for the winter wheat crop in
35 were 490 million bu and decreased 77 million bu by August; 1934,
6 million bu and decreased 101 million bu; in 1933, 371 million bu,
d was reduced to 333 million; in 1932, a prospect of 500 million bu
s finally 60 million bu less. Of course, the last three years were
ceptional, and two years before estimates were increased, in 1931
ounting to 124 million bu during the same period, and in 1930, 8 mil-
on bu.

There is no question that much might happen either way this sea-
n also from now on, although with only a moderate decrease of aban-
nment in the acreage, which still leaves about 40 million acres stand
g, prospects in the main are very hopeful, but timely rains will be
eded to bring about the best results.

There was no precipitation in the dry district overnight and dur-
g the past week, while heavy rain and snow occurred over the spring
eat belt, as well as Nebraska, Iowa, Missouri, Illinois and Ohio,
ly very slight snow fell over Kansas and none whatsoever in Oklahoma
d Texas. Therefore there is quite a territory left where moisture
badly needed. The longtime prediction holds out some hope that
eather conditions might be more favorable over Sunday. The actual
ording of the prediction for the Great Plains is as follows: "Pre-
ipitation rather frequent in most sections, especially the first part
the week."

Liverpool cables showed another decline, prices receding 1/4 to
/2 ¢ a bushel compared with yesterday. Broomhall, while reducing his
stimate on import requirements, still maintains that for the remain-
g eighteen weeks of this crop year Canada will have to furnish about
million bu a week to supply European and non-European needs. Inas-
uch as Canada, as of March 27, still had about 236 million bu left
or export and carryover, it will be no trouble to obtain the necessar
upplies; but if these figures are realized she will at least have re-
uced her carryover very largely compared with August 1, 1935, and the
mount left would be only about 120 million bu on August 1, 1936.
ese figures are based on the last government crop estimates, and on
e supposition that only 17 million bu of wheat are left in farmers'
ands, but inasmuch as the daily farmers' sales are still quite fair,
e are inclined to think that the crop has been under-estimated.

Primary receipts were fair today, 257,000 bu versus 278,000 last
eek and 173,000 last year. However, for the week they were 520,000
u in excess of similar period in 1935, thus indicating there is not
ikely to be any acute shortage of old wheat. Stocks at Kansas City
nd Minneapolis decreased so far this week only 248,000 bu, and we
elieve the visible supply will show only a very moderate decrease com-
ared with last year, when it was 2,272,000 bu.

Fluctuations were rather narrow today. The trade feels that
ossibly the new crop futures have discounted for the present the fact
hat next year's wheat crop will likely be sold at a lower price than
he past season. There is rather a more bearish feeling on May wheat,
s it now appears that the demand for the old wheat will not be suf-
iciently urgent to reduce our stocks to a point which would justify
he high premium over July. At the close May wheat was 1/2¢ per bu-
hel lower and July 1/8¢ per bushel higher compared with yesterday.

Corn was comparatively steady but there is continued liquidation
oing on in oats and rye, and these cereals closed lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
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MODITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 6, 1936

During the last week the decline in wheat was primarily and just-
based on the good prospects this coming season. All private ex-
ts agree that the outlook at the present time is promising and the
babilities are that the government report to be issued on the 10th
l confirm this. Traders also have in mind that the spring wheat
eage might be increased about 18 per cent, so that with normal wea-
r yields might be sufficiently large to compel us to go to an export
is. Everything, however, is based on normal weather from now on,
least we could not stand continued drought such as we had last year.
refore when the weather map over Sunday did not indicate as much
nfall during the last forty-eight hours as was expected, some short
ering took place; and during the greater part of the session a ra-
r firm undertone prevailed for new crop futures, and more hesitancy
ut discounting the crop prospects too much. However, the weather
again very favorable everywhere East of the Mississippi River,
re exceptionally large yields might be harvested this year, provid-
nothing unforeseen happens in the meantime.

There was no encouragement on the constructive side from Europe.
ld shipments continue to be light, 9,490,000 bu versus 9,920,000
t year, indicating a very small consumption. Also part of impor-
s' requirements are being filled from countries which are usually
exporters- in fact, they used to be importers, such as France,
ch country furnished 344,000 bu, and Portugal, 488,000 bu, all of
ch makes it more difficult for Canada to get rid of her still bur-
some surplus. North American shipments were only 3,222,000 bu, and
adian farmers' deliveries keep up at a pretty fair rate, and this
t week amounted to 1,834,000 bu compared with 1,818,000 bu last
r, thus leading us to believe that farmers probably will have as
h wheat to dispose of for the balance of the year as they had in
5. The visible supply of wheat in Canada is now about 209 million
inst 231 million bu last year; and it is quite evident that only
ough much larger exports can this quantity be reduced to moderate
portions. It now appears as if she will carry over from 110 to 140
lion bu, which, of course, would be very much less than the previous
son; but if a good crop should be harvested this year instead of a
r one as was the case in 1935, there might be more wheat for export
t season than this one, and most likely there will be no outlet to
United States, which so far had been a good customer.

Liverpool cables had been lower early, but probably in sympathy
h our strength and improvement in Canada their close was from 1/8
5/8¢ a bushel higher.

The amount on passage is 37 million bu compared with 32 million
last year; therefore we do not expect any urgent buying from abroad,
England, which country is the chief importer, seems to be able to
er her requirements at a leisurely rate without bidding up prices
either wheat or flour.

Primary receipts today were rather small, 313,000 bu versus
,000 bu a week ago, but only 238,000 bu last year. The visible
ply showed a decrease of 1,784,000 bu compared with 2,272,000 last
r, and the total now is only 932,000 bu less than it was in 1935
ilar period. Chicago stocks showed a decrease of 205,000 bu for
week, and the amount left is a little over 5 million bu, which,
think, is plenty for all purposes until the new crop comes on the
ket.

There was more liquidation today in May wheat and this future
comparatively weak, the difference between same and July narrowing
ewhat. At the close the market showed an advance of 1/8¢ per bu-
l for the May wheat and 5/8¢ for the July compared with Saturday.

Corn receipts were very heavy, particularly in the Southwest,
primary receipts amount to 1,084,000 bu against only 342,000 bu
t year. In consequence this cereal declined and had it not been
the strength in wheat probably would have been weaker yet. How-
r,we think that with the small stocks which are accumulated there
l be a sufficient demand to take care of the supplies.

Oats furnished little feature except that the carrying-charge
rm May to July widened about 1/4¢ per bushel.

Rye was featureless, the fractional advance was in sympathy
h a higher wheat market.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
/ YORK COCOA EXCHANGE
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UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 7, 1936.

With the disappearance of inflation psychology, absence of
y immediate war scare, indifferent demand for wheat on part of
llers, neither a great plentifulness nor a scarcity, there seems
be a total lack of interest at the moment in wheat as a commodity.
erefore fluctuations are extremely light.

There is still a possibility of a drought or crop scare, but
nehow or other the trade assumes that what happened the last few
ars will not be repeated, and that moisture will come in time to
ve the bulk of the wheat crop, even though a certain area in the
r West might suffer more. If it were not for this optimism the
rious reports we are receiving would have stimulated new grain
rchases. For instance our Enid office wires that a compilation
r the Oklahoma wheat belt by the local Weather Bureau for the last
x months compared with the same period a year ago shows 22 1/2
r cent less moisture than a year ago, and 34 per cent under normal.
ese figures are taken from stations in the Oklahoma wheat belt.
e Kansas City Weather Bureau's monthly bulletin claims less mois-
re in Kansas during the past month than in any other March, except
e, in fifty years; and the past six months records a moisture de-
ciency over the entire state. However the consensus still is
at the wheat plant has made satisfactory growth over most of the
stern half of Kansas, but is in a rather precarious condition
the western half.

Very little interest is also shown in foreign markets.
verpool cables were a little stronger on the May future, about 1/2¢
r bu, while the others showed a decline of from 1/8 to 1/4¢.

Primary receipts commence to show a great falling-off, and
day amounted to only 172,000 bu against 267,000 bu a week ago, and
0,000 bu in 1935. Stocks at Kansas City and Minneapolis so far
is week show a net decrease of 167,000 bu.

At times there was a somewhat firmer feeling in May wheat,
d opinions on the relative value of this future compared with the
ly vary a great deal. There is little disagreement now that stocks
re will be sufficient for all requirements. Sales today out of
icago were again very small --only about 12,000 bu, and there is
ill available 5,069,000 bu of all grades in both public and private
evators, which is very much the same quantity as last year when
ere was 5,003,000 bu. However for delivery purposes the quantity
is year is somewhat smaller --contract stocks being 1,298,000 bu
rsus 1,449,000 last season.

At the close wheat showed an advance of 1/4¢ per bu on the
y future, and 1/8¢ on the July.

The corn movement continues on a rather liberal scale, but
e demand is also quite reasonable, and we look for no great ac-
mulation of stocks either here in Chicago or at other terminals in
e country. We think present prices are fully justified.

There is hardly any interest shown in oats, except that steady
quidation in May oats is taking place, and the open interest is
ill a very large one.

Rye fluctuations were very small, and changes are largely
sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 8, 1936.

Liverpool was rather strong this morning, and it appears that
much better exp ort business in Canadian wheat developed, the re-
lt being that English quotations were 1 to 1 3/8¢ per bu higher
the close. Canada also sympathised somewhat, but apparently
ere was no great commotion in buying of hedges, as Winnipeg ad-
nced just moderately; otherwise it would be a foregone conclusion
at the business reported might have been somewhat exaggerated.

In any event, there were reports that Italy was in the market,
d a better demand generally for Australian wheats appeared. There-
re it is not unlikely that Canada may expect a better demand than
s existed for the past few weeks.

Bradstreet's clearances from North America this week were ex-
remel y small, at only 3,288,000 bu. It is interesting to note that
nce July 1, or in practically 40 weeks, world shipments have
ounted to only 352 million bu. This averages less than 9 million
per week, and if continued for the next twelve weeks on same basis
up to date would mean total world shipments for the entire season
only 458 million bu against Mr. Broomhall's revised estimate of
8 million bu. However we have felt right along that the hand-to-
outh buying might lead to greater activity from now on as stocks no-
here are very large.

As far as our domestic situation is concerned, there was no
lief reported from the dry areas, and the weather map did not
rnish any encouragement for the next twenty-four hours. As a
sult, dust storms were reported from wide spread territories, and
e Panhandle of Texas claims that considerable deterioration is
king place and would continue until rain actually occurs. .The
ekly weather report from Kansas claimed that it was one of the
oldest periods on record for the time of year, although no particula
amage resulted from freezing. In the western half of the state,
cept the extreme northwestern counties, the plant was suffering fro
ust storms. Under these circumstances, our market held firm; if
ything, the July wheat was in slightly better demand than the May
livery, although sales from Chicago amounted to 73,000 bu, which
s quite an improvement over the last few days' business.

Primary receipts were light today, amounting to 195,000 bu;
is compares with 151,000 bu last week and 201,000 a year ago.
uthwest receipts both at terminals and in the interior were ex-
remely light. Therefore Kansas City also ruled firm, probably in-
luenced also by crop scares which were published during the session.
tocks at Kansas City and Minneapolis so far this week show a net
ecrease of 204,000 bu. We expect that the visible supply next
onday will show just a normal shrinkage, and that stocks soon will
e on about the same parity as a year ago, thus making up the huge
eficiency which existed early in the season.

At the close there was an advance of 5/8¢ per bu for the May
heat, while the July future was up 7/8¢ per bu.

Corn showed slightly more activity, particularly the nearby
onth. The demand remains good and it seems that no accumulations
f consequence have taken place during the period when the country
ovement was the heaviest. Undoubtedly the favorable relationship
as attracted feeders; and, therefore, it is quite likely that con-
umption on farms has been very large.

Oats and rye also shared in the general upturns. There was
o large demand for these cereals, but because pressure was lacking
ractional gains were attained rather easily.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
V YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 9, 1936.

The Liverpool market was somewhat reactionary this morning,
d apparently the large export business reported yesterday from
nada was reassuring to merchants on the other side.

The knowledge that Canada still has a large surplus to dis-
se of prevents any very high prices being reached. Canadian stocks
wheat as of April 3 were nearly 206 million bu, or about 24 million
smaller than they were for the corresponding period of the previous
ason. This does not include stocks in farmers' hands or in transit,
t we judge from the daily marketings that there must be almost as
ch wheat left back in the country as there was a year ago. When one
nsiders that the wheat imports for consumption into the United State
ich comprise mainly wheat that was shipped from Canada, amounted to
,354,000 bu, it will be seen that Canada has actually depended
rgely upon the help of this country in order to reduce stocks below
ose of 1935.

On the other hand it is likely that a better demand might
ring up from this time forward. The balance of Australian wheat
ailable for export amounts to 50 million bu compared with 79 million
last year; therefore, smaller quantities should be shipped from now
. Actual Australian exports for the week were 2,389,000 bu, while
e revised Argentine shipments amounted to 1,292,000 bu, or only
out one-third as much as was being cleared a year ago. There was
ry little shipped from the Black sea, only about 200,000 bu, althoug
thing cleared either last week or last year. On the whole we would
y that any improvement on the Continent would be reflected in a
tter demand for Canadian wheat, as this is the one country in a
sition to furnish importers' requirements on a very large scale.

Since August 1 world shipments to Europe are about 7 million bu
aller than they were last year; and, therefore, should Italy come
to the market now, as is thought possible by Broomhall, it might
an a somewhat better business for the remaining twelve weeks of the
op season.

Primary receipts today amounted to 211,000 bu; this compares
th 226,000 bu last week and only 156,000 bu last year. Stocks at
nsas City, Duluth and Minneapolis so far this week show a net de-
ease of 299,000 bu.

When our market opened this morning it was influenced by weak-
ss abroad, and also the weather map, which indicated the possibility
showers in the Southwest today and tonight, although clearing con-
tions will probably set in by Friday. In any event, as the session
ogressed there were quite a few reports, ranging from sprinkles to
eet or snow, in various southwestern territories which lent en-
uragement to some short selling, particularly as the technical posi-
on of the market had been weakened by yesterday's covering. This
ing the case, there were declines, which at the close amounted to
2¢ per bu for the May delivery and 3/8¢ for the July.

The demand for #2 red wheat from Chicago appeared quite good,
t the wheat is being sold now at prices not much better than a
livery basis, and, therefore, is not drawing nearly the attention
was occasioned earlier when a great many people had believed that
e shrinkage of Chicago stocks would create relatively greater firm-
ss in the May delivery than in other months. At the close the
fference between May and July wheat was 9 1/8¢ per bu.

May corn was relatively firm and closed about unchanged, due
the continued good cash demand for this cereal. The more deferred
nths, however, closed somewhat lower; and we believe that possibly
reading operations were responsible for this. About 115,000 bu
corn were sold out of Chicago, with bookings only moderate.

Oats and rye furnished very little feature, but were a trifle
wer in sympathy with the leading cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 11, 1936.

Foreign markets were still observing the Easter celebration and,
refore, there were no quotations from Liverpool for our guidance.
re had been some additional moisture in the Southwest and in the
tral states which afforded fair relief to the growing crop, but
s was hardly sufficient to outweigh the very bullish Government
ures, which were released late yesterday, suggesting a winter wheat
p of 493 million bu. This was so far below trade expectations,
even out of line with Mr. Wallace's own thoughts as expressed re-
tly, that it behooved every grain man to try to figure out for him-
f just why the figures did not express the same optimism.. Possibly
fact that the severity of weather last winter has led to heavier
ndonment than was earlier anticipated was a factor. Even assuming
t next May the amount of winter killing would be reported to be
out 20 per cent, this would still give us a comparatively larger
ber of acres left standing for harvest as compared with last year,
sibly 5 to 6 million acres, on which it is reasonable to suppose
t we could produce a crop amounting to 60 million bu. That the
dition of wheat reported at this time was lower than in 1935 was
prising as moisture in the central states had been considered quite
d. We would say that at the present time the situation remains un-
tain as all will depend upon the amount of rains in the Southwest
m this time forward.

There were also some figures published on farm reserves which
e slightly higher than a year ago, but showed quite a reduction
m the estimate of last January. This being the case, there was
rt covering in both old and new crop months in about the same pro-
tion, with hardly any variance in the spread between May and July
at as compared with Thursday's session. There was not a great
l of new investment buying, however, and, therefore, the advances
e not as rapid as one might have thought in view of the sensational
port.

Canada was influenced by our higher price level, but to a lesser
gree. Actual exports from Canada, from August 1st to the 4th of
ril, amounted to 148 million bu, which includes the amount shipped
the United States. On that basis there is still available for ex-
rt and carryover 233 million bu, which is a fair quantity; and in
nada much will depend upon the prospects of the next crop, although
the present time moisture conditions appear to be highly satis-
ctory.

Primary receipts for the two-day period were 437,000 bu; this
mpares with 145,000 bu for just one day last year. Stocks at Kansas
ty and Minneapolis so far this week show a net decrease of 185,000
. Fair sales of wheat were reported out of Chicago, and we assume
at local stocks will show another fair-sized reduction on Monday.
wever if nothing unusual takes place, we feel that there would be
ough wheat here on the first of May to take care of ordinary re-
irements. The milling business remains dull, as we understand flour
yers are awaiting an opportunity to make purchases on basis of July
eat, which is much cheaper for their purposes.

Our market was able to maintain most of the advance, and at the
ose May wheat was 1 3/4¢ per bu higher, while July rose 1 5/8¢ per
.

Corn, as well as the other cereals, was influenced by higher
eat prices. The farm reserves of corn are reported to be 776 million
compared with a five-year average of 757 million bu for the years
28 to 1932. However we still believe that corn will be wanted, as
pays the farmer so much better to feed it than to ship it to
rminal markets; he furthermore realizes that the amount of hogs will
crease gradually, and that there will be a use for his product
ter on on the farm.

Oats did not change a great deal. Farm reserves are over double
ose of the corresponding period of 1935, and more than 100 million
in excess of the five-year average for 1928-1932.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 13, 1936.

Most of the foreign markets were still closed in observance
Easter Monday. Therefore we were guided almost entirely by
nestic factors when our market opened this morning. World ship-
ats were rather small and amounted to only 7,876,000 bu as compared
h 9,490,000 bu last week, and a slightly higher amount the pre-
ous season. Canada only furnished about 3 million bu, which must
o be somewhat discouraging to those who had been looking forward
a much larger volume of business. Were it not for the fact that
United States had imported nearly 28 million bu of wheat from
ada for consumption, and that another 9 million bu or so had been
orted by bonded mills, they would have a much greater burden. It
ws how important it is to remain in line competitively when large
pluses exist.

There had been no moisture to speak of over the week-end, nor
the Weather Bureau anticipate much during the next 24 hours. As
esult our market opened somewhat higher, but almost immediately
became apparent that holders of May wheat were still inclined to
uidate. With an open interest in the nearby delivery of about
million bu, we are convinced that this will continue each day now
il contracts are greatly reduced.

It had been hoped by a great many people that Chicago might
called upon to furnish some soft red wheat for relief purposes,
that the Government might reduce local stocks through the Federal
plus Commodity Corporation. It is now claimed that to supplement
2 1/2 million bu of Pacific northwest wheat which was bought
ently, possibly another million bu will be taken from Buffalo,
toria and various Ohio points. We are not just certain of this
tribution, but believe our information is reliable. In any event,
cago stocks are still fairly adequate, and while decreasing
,000 bu last week, there is still a remainder of 4,828,000 bu,
h only a few weeks until time for tenders.

Mr. Murray furnished some figures on the first third of April,
wing that precipitation west of the Mississippi was much below
mal, and that the grain states east of the Mississippi had been
efited by rains which were better than normal. However since the
thwestern territories are still more or less unrelieved, new crop
ures held relatively firm despite liquidation which occurred in
wheat.

Primary receipts today were 376,000 bu as compared with 445,000
ear ago. The visible supply of wheat showed a decrease of 1,688,000
This was smaller than for the corresponding week of 1935 when
shrinkage amounted to 2,280,000 bu.As a result we have practically
ght up with stocks of a year ago; ad in all positions there is
729,000 bu, which is just a little less than the previous year.

We continue to feel as far as new crop months are concerned
there will probably not be a great deal of pressure unless the
ther takes a turn for the better; on the other hand, unless pro-
ged for a good many weeks, we doubt whether the upward tendency
be very rapid either, particularly with May wheat liquidation
progress.

Corn was firm, and the demand remains good. The visible
ply increased 432,000 bu, but there were never any heavy accumula-
ns, and total supplies now amount to only 7,629,000 bu. Therefore,
our opinion, there will be no sharp declines in this cereal.

Oats were more or less neglected. The visible supply is about
e times as large as it was a year ago, and with more on farms it
ns to be a carrying-charge proposition, with the outsider dis-
ing very little enthusiasm.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

April 14, 1936

After a prolonged holiday abroad Liverpool reopened this morning, nd quotations were quite indifferent considering the advance which ad taken place here since last Thursday. Final prices were actually ower on the May delivery, and about unchanged on other months.

There was quite a fair-sized business in Australian and Canadian heat, but as long as foreigners are able to take care of immediate requirements without great effort, they are apparently satisfied that in nother few months under normal conditions, supplies will be offered ore freely from North America. This, of course, on the assumption hat rains occur during the next few weeks, because at the present time t is extremely dry over vast areas of the Southwest; and with tempera-ures quite high some apprehension exists as to the final outcome. ost people apparently have in mind the past two or three seasons when ery few rains occurred in the Southwest from this time forward; and eing reminded of extremely short crops there was undoubtedly a good eal of short covering during today's session, which was more of an nfluence upon the deferred months.

May delivery still shows an open interest of about 49 million bu, ut a great many people are undoubtedly disappointed in the action of he market, because at one time today almost half the premium which ad prevailed over July wheat was lost, and with cash wheat in rather oor demand there are those who feel that with a carryover of possibly 35 million bu no scarcity prices would ordinarily prevail, at least n basis of July and September wheat.

Primary receipts today were light and amounted to only 163,000 u as compared with 244,000 bu last year. Stocks at Kansas City and inneapolis so far this week show a net decrease of 135,000 bu.

As the session progressed buying entered the pit and as is so of-en the case the market made the news rather than the news making the arket. By this we mean that for a period of several weeks there was ery little apprehension felt because the market had failed to take ognizance of dry weather reports; but with leadership on the construc-ive side this morning there was a more optimistic feeling all around s to the price level. Reports from some of the Central states were ess optimistic, and even bad crop reports were heard from Illinois nd Ohio, where up to now growing conditions had been claimed satis-actory. It was thought that possibly the recent freezes might have one some damage, although on the whole we should imagine that only hose states really suffering from the drought should give traders con-ern at this time. We have found so often in the spring of the year hat one had to keep a little bit cool because weather changes oc-urred very quickly; and while the news is very unfavorable, timely ains could change the picture rather rapidly.

At the close May wheat showed an advance of 1¢ per bushel com-ared with yesterday, while July and September wheat were stronger and dvanced nearly 2¢ per bushel.

Corn was more or less neglected and possibly benefited slightly rom the upturn in the leading cereal; but it seems that speculation n this cereal is small, despite the fact that the demand for the cash rticle remains very good.

Oats and rye were up slightly, but there was no particular fea-ure that affected these cereals except that they were up in sympathy ith wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 15, 1936.

There scarcely has ever been a year when at one period or another during the wheat growing season there were not a great many scares, and when fears existed that final results might be unsatisfactory. These scares usually come much earlier than they did this season. Pessimism is generally prevalent when wheat is commencing to green-up and when it is discovered that certain territories are not doing as well as others, and emphasis is often laid on the poorer districts. The year, until recently, had been an exception. It was thought at first that the abandonment of acreage would be rather small, but calculations had to be changed when the government report came out estimating the abandoned acreage at about 21 per cent. It was known right along that there was a subnormal amount of rainfall in the Southwest but little attention was paid to it, as one good soaking rain during the last two weeks would have allayed all fears. In the mind of everyone also was the thought that it would take extremely unfavorable weather to produce less per acre than last year when climatic conditions were about the worst imaginable; and also the fact that despite the very poor final outcome, both of spring and winter wheat, poorer crops in the Argentine and Canada, it was difficult to maintain a dollar price level. However the hoped-for rains have not materialized. The wheat plant is suffering severely in many places, and as another crop failure on top of the last one would be quite a calamity, shorts who had been quite sure of their position covered very freely of late. It is impossible at the moment to express a positive opinion with any justification as to the value of wheat, as guesses regarding the future weather are impossible to make.

The very large acreage of winter wheat is somewhat of a protection against the assumption that results will of necessity be disastrous. The standing acreage probably will be 37 million acres, and even a yield as small as in 1935, or possibly somewhat smaller, would still give fair results, provided the spring wheat crop would turn out satisfactorily. We also have to consider that the spring wheat acreage probably will be increased 18 per cent, and the probabilities still are that we shall not only raise sufficient for home consumption, but also a surplus. That is where the "rub" comes in.

Liverpool has shown great indifference right along, has not advanced her prices very materially of late, and naturally with our advance we are more out of line for export than before. Today's closing quotations at Liverpool were 1/8¢ per bu lower for May wheat, /8¢ higher for July, and 1 1/8¢ higher for October, but the average price of about 91¢ is only a trifle over our July wheat.

In order to have a sustained bull movement nothing would be more helpful than sympathetic encouragement from Europe; this, however, does not seem to be in sight. While there are some crop complaints in various continental countries, with better prospects in ussia, the outlook is such that the importing countries will not ikely experience any difficulty in obtaining supplies, even should his prove to be another year when the United States is not in the xport column on a large scale. This will be particularly so, as ong as Canada is willing to sell her surplus at reasonable prices nd remains more anxious to decrease her stocks than to obtain higher prices.

Temporarily, however, the weather in the Southwest will be the ominating factor; with no rains in sight for either tomorrow or the ext day as far as one can foresee, the chances are in favor of firm arkets continuing for a while. This is especially so as wheat is being shipped out of Chicago at a pretty good rate --sales being eported today of 167,000 bu, which, of course, means removal of edges to the same extent.

Primary receipts are also very light, being 207,000 bu compared ith 195,000 bu last week and 212,000 a year ago. Stocks at

(O V E R)

Kansas City and Minneapolis so far this week show a decrease of 225,000 bu.

The May future at times was very weak, which was rather surprising in view of the heavy cash sales, but evidently with the lar open interest in May wheat we have to expect liquidation right alon When delivery day approaches much will depend upon whether many of the owners of May wheat are willing to pay for the cash article or whether they prefer to replace their holdings with the further deferred futures.

At the close wheat showed an advance of 1 1/8¢ per bu.

The cash demand for corn continues to be excellent --over 100,000 bu were sold again today out of this market. Total primary receipts are becoming lighter now, being only 345,000 bu versus 612,000 bu last week, and only 235,000 bu last year.

Rye and oats both were very strong in sympathy with the othe cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
Y YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 16, 1936.

Unresponsive cables and the fact that there were some beneficial ains in Texas caused some realizing in the deferred futures. The heat market opened lower, and at no time reached yesterday's closing rices; final declines for the day were 1 1/8¢ per bu for the July nd 1¢ for the September.

From the best information we can gather the rains in Texas were airly well scattered, and will be very helpful, but we believe the eal wheat territory has not yet been favored with much moisture. here were no rains in Kansas, and considering that the three-months eriod --January, February and March-- was about the driest, accordng to press reports, in over fifty-five years, there naturally is very big deficiency which must be relieved soon or else great amage is expected.

Strange as it may seem, up to the present time, the deterioraion which has taken place is not yet as serious as one might expect. ossibly the cool weather had a great deal to do with it, but should arm temperatures continue without precipitation, crop estimates ould have to be greatly reduced. In the meantime, should good ains come soon, the situation does not remain hopeless; however oisture is needed at the present time over the whole states of ansas and Oklahoma. They would also be very desirable in Nebraska, lthough conditions there are somewhat better. We, therefore, are ow having, and shall continue to have a typical weather market. t is difficult to assume a positive stand on the wheat market, but he next few weeks will probably decide the question of whether the utlook for crops is such that we may figure on yields which promise n export surplus of sufficient size to make us dependent on world's rices, or whether production and consumption will be again so losely adjusted that we might be nearly on a domestic basis. ltimately, of course, spring wheat results will determine the inal value of wheat unless the winter wheat crop should prove to e another disaster.

Fluctuations in May wheat seem to be largely dependent on the emand for old wheat. As sales from Chicago have been extraordinarily arge, again today amounting to about 140,000 bu, that future advanced arl y independently of the others, the close being only 1/4¢ per bu ower. Sales for the last two days have been such that great inoads will be made on Chicago stocks, which have not been over-abundntly heavy. Naturally if this demand keeps up, the outlook for eliveries early in May will not be encouraging to the short seller r hedger in that month.

Primary receipts continue to be small, at 312,000bu today comared with 262,000 a year ago. Stocks at Kansas City and Minneapolis o far this week show a decrease of 258,000 bu. There is a somewhat etter demand on part of millers in the Southwest, and it is possible e shall have another fair-sized decrease in the visible supply on onday.

Corn receipts are only moderate, being 520,000 bu today versus 68,000 bu last week. Sales continue to be made daily on a fairly iberal scale. The market was a trifle lower for the deferred futures, ut we think this cereal is in a strong position.

Oats and rye declined in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
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141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 17, 1936.

Another twenty-four hours passed with not a drop of rain in the outhwest, where it is so badly needed, and the weather forecasters ontinue to predict clear weather without precipitation. This was he important factor in the market today and prices advanced to a greate xtent today than in any one day for some time.

The outlook is still not absolutely hopeless, but yet it is erious. So far the wheat plant has withstood the drought remarkably ell, with the exception of in the western part of the Southwest. owever the point has now been reached where it is commencing to uffer in a great many places and great deterioration will take place next week there should be warmer temperatures with no rains. ight now neither experience nor judgment will justify making any edictions regarding the market, as all depends upon the weather. have gone through such periods many times before, and in a great ny cases rain came in time to save the crops, although there were xceptions to this rule, particularly during the last few years. herefore many are very skeptical about the final outcome. Shorts ve covered very freely and from that view point the market is tech- cally weaker. New investment buying is still moderate as everybody nows that a good amount of rain would change the situation; but later n should actual damage become irreparable, no doubt,speculative pur- hases on a large scale could boost prices still higher.

The open interest in all futures of wheat has been reduced to out 91 million bu compared with over 140 million bu early in the ason, showing that outside interest in this cereal is not very great the moment.

There is no general thought that any extreme level willbe reached cause, after all, our domestic requirements are not so large that ey cannot easily be filled, provided the spring wheat crop will be rmal or above. The carryovers in the world are smaller than in past ars, but yet Canada had stocks on hand onApril 9 th, without count- g the wheat left in farmers' hands, of about 202 million bu com- red to close to 226 million bu last year, or only 24 million bu less. is despite the fact that more than this quantity was exported to the ited States. Also, France, who in other years has very frequently en an importer is still selling wheat very cheaply: about 87 cents F Liverpool, duty included. This again calls attention to the oft peated fact that the total European consumption has reached a very w ebb. So far on this crop, with only two and one-half months re- ining, total exports to Europe and non-European countries amounted only 360 million bu compared to 403 million bu same period last year, remember many years when the import requirements exceeded 700 to 0 million bu during twelve months.

It is somewhat encouraging that finally Europe is awakening and ying some attention to the changed crop conditions in the United ates. Liverpool prices gained today from 1 1/8 to 1 1/4¢ per bu; e Winnipeg market was also much stronger,although did not follow full advance. The European strength possibly also may have been fluenced by the extremely light shipments from the southern hem- phere --those fromArgentina being 374,000 bu versus 2,839,000 bu 1935, and fromAustralia 1,935,000 bu against 3,678,000 bu the pre- ous year. Unless North American shipments should prove to be very avy, we may look for very small world shipments during this week.

Primary receipts continue to be very light --only 219,000 bu day; no comparison can be made with either last week or last year n there was a holiday. Shipments, however, were heavy, amounting 330,000 bu. So far this week stocks at Kansas City, Duluth and neapolis show a loss of 388,000 bu, and with the large decrease ch we expect at Chicago and Buffalo there ought to be a fair-sized uction in the visible supply on Monday.

The demand for old wheat keeps up on a rather large scale in cago, sales being reported today of 160,000 bu. Nevertheless May at lost somewhat on the July future, but this may be easily ex- ined as all the new buying is in the more deferred deliveries. ady liquidation is taking place on part of May longs, but the open erest last night still was 42,500,000 bu.

The strength kept up during the whole session, closing price of wheat being 2¢ per bu higher, and of July 2 1/2¢.

There was no significant news affecting the other cereals, but n, oats and rye all advanced in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO April 18, 1936.

There was not a drop of rain in the Southwest during the last venty-four hours and none is forecast for either today or tomorrow. he long-time official prediction also indicates but little pre- pitation. Opinions are unanimous that the wheat crop is going ckward unless we have more favorable weather changes, and the ade fears that the worst might happen, is discounting it, and is lling to pay advanced prices for wheat.

During the entire session there was hardly any sizable reaction om the higher prices at which wheat futures opened, and the close owed an advance of 1 5/8¢ per bu for the May, and 2 1/8¢ per bu r the July compared with yesterday.

It is not likely that this situation will change until we have me good rains, or until the advance is overdone, so that natural actions will follow.

The actual wheat-crop outlook could be worse. In fact if any- dy would have known the drought would continue as long as it has, would have predicted that by this time the damage would be al- st irreparable. This, however, is not the case owing to the cool ather, and the fact that the plant was well rooted. There are ill many optimists who feel that good moisture before May 1st ght still give us reasonable yields in the Southwest. There is, course, no guarantee that even this will occur, but at least e should have prepared for it before taking it for granted that e crop is already irretrievably lost.

Little attention is being paid to statistical news and the fact at enormous sales out of Chicago were reported again today. May eat remained the weakest future. Possibly there also are some plications or errors in the reports, or else the wheat is being ipped out very slowly, leaving many unfilled sales yet to be com- eted. We find total wheat shipments out of Chicago for the week re only 213,000 bu compared with 209,000 bu last week and 344,000 a year ago. We, ourselves, would have guessed from daily sales ports that more wheat would have left Chicago. Therefore it is ssible that the visible supply in this city on Monday will not ow as big a decrease as was anticipated. Total primary receipts re 314,000 bu against 437,000 bu a week ago for two days. Stocks Kansas City and Minneapolis show a decrease of only 357,000 bu, d by way of comparison the decrease in the visible supply may not as large as last year when it amounted to 2,163,000 bu.

Liverpool seems to remain indifferent to the deterioration in e United States wheat crop, and showed an advance of only 1/8¢ r bu. However Canada seems to be taking advantage of the bullish thusiasm here and is raising her prices. Winnipeg was also quite rong, although not anywhere near following our rise; and the dif- rence in values between Canada and the United States is widening ght along --their market being by far the cheaper.

Corn was also very strong, partly on its own merits, and partly sympathy with wheat. However oats and rye remained comparatively glected and made only little progress on the constructive side con- dering the sharp advance of the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO April 20, 1936.

There was practically no rain during the last forty-eight hours the Southwest. One single point in Kansas reported precipitation about one-half inch but it did not extend to more than about six es. Everywhere else it was dry and the prediction also gives com- atively little encouragement for much moisture in the Southwest ay or tomorrow.

The wheat market nevertheless declined, and we think we have ught out in previous letters that sometimes a situation arises er sharp advances had taken place, a point finally is reached where ders find themselves in an overbought condition and have to re- ze in order to save themselves from losses when markets start to line.

Somewhat more attention was being paid to the very weak world's uation. Total weekly exports from all countries were only 6,147,000 compared to 10,730,000 bu in 1935 similar period; total importing ntries so far have been able to get along with 48 million bu less at than last season. We believe that all of the exporting countries l be called upon during the twelve months ending July 1 for less at than in any year during the last two or three decades. The son for this great change is not far to seek. It is partly due to nomic conditions and also partly to the great effort which has been e for many countries to become more and more self-sustaining. It reported, for instance, by Broomhall that Italy, which used to pro- e 200 million bu of wheat prior to 1928, has in recent years been pped up to 250 or 300 million bu. Imports have been reduced from million bu to around 15 million bu annually. Germany with the gest population among the continental countries (Russia excluded, ch is an exporter) hardly imports wheat any more and either raises e or consumes more rye. There is only one large importer left, ch is England, and even efforts are being made in that country to rease production and the government offers subsidies to the farmer accomplish this result.

With Liverpool showing great weakness today, their futures lining from 5/8 to 3/4¢ per bu, their July wheat is now selling ctically the same as ours and the optimists on wheat prices here, refore, must be quite sure that this country for the third or rth year in succession will remain on a domestic basis. It is te clear that should we have a sizable quantity left for export prices would have to be reduced so we could compete with other ntries to meet foreign markets. This, of course, is a possibility not yet a probability, much naturally depending upon weather con- ions from now on.

A private estimate from one of our leading crop experts re- ed the probable yields for winter wheat to 470 million bu, compared h the government's estimate on April 1 of 493 million bu. Taking se figures as a basis and guessing at the likely crop of spring at at about 270 million bu, would give us a total of 720 million which would be sufficient for all home requirements and leave an rent surplus for export of about 70 million bu, on the assumption there would be no importations from Canada. However, this mate would be based on the belief that with a largely increased age of spring wheat that crop will be about normal. Speculators be very nervous during the critical growing period until they sure that this result will be attained.

The probable outcome of the old-crop futures also cannot be ly determined. Primary receipts continue to be light --472,000 bu pared with 619,000 bu last year. The visible supply showed a de- se of 2,077,000 bu --almost as big a reduction as last year when as 2,163,000 bu. Actual stocks are practically the same as in , same period, being 41,652,000 bu versus 41,906,000 bu. Close to

(O V E R)

One-half the stocks, or about 18 million bu, are concentrated in th two markets --Kansas City and Minneapolis; in Kansas City they are 8,883,000 bu, but we find that last year from this date up to July 1, Kansas City shipped out 5,412,000 bu more than it received, and may do the same or better this year. As a matter of fact stocks in farmers' hands in Kansas are supposed to be much smaller than they were a year ago. Minneapolis has 9,291,000 bu, but the spring whea will have to last until their crop is raised sometime in August; therefore, disposal of this quantity should not be very difficult. Chicago stocks decreased this week 444,000 bu, and there remains in public and private elevators, including some feed wheat, only 4,384, bu. Sales today out of Chicago were very much smaller, about 42,000 bu, but as sales last week were reported to have been 900,00 bu, it is quite likely that this week also will show heavy shipment to fill previous sales.

At the close the wheat market showed a decline of 2¢ per bu for the May delivery and 1 3/4¢ for the July.

Corn primary receipts were quite fair today --897,000 bu, bu the demand seems to keep up, and the visible supply showed an incre of only 31,000 bu. Total stocks at all terminal points are 7,660,0 bu. The corn market declined in sympathy with wheat, but we belie the fundamental situation in this cereal is quite sound.

Oats and rye also were largely influenced by the sister cere and closed lower. There is still a very large open interest in May oats, which we think will have to be liquidated, and will probably widen the carrying charge between May and July, and September.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 21, 1936.

The weather today was not entirely satisfactory either to the bull or to the bear. There was more moisture in the Southwest than had been anticipated according to the official forecast, but the precipitation was mostly not in the territory where it is needed the worst, but as practically all of Kansas welcomes rain, it will do some good. The quantities were not such that relief will be lasting unless more occurs soon, and the weather prediction does not hold out much hope for the next thirty-six hours. Temperatures were rather favorable, and as further cool weather is expected the immediate danger of the plant suffering is minimized. This thought created great caution in minds of traders, and after a good break early there was some recovery, which was partially lost again, the close showing an advance of 1/2¢ per bu for the May future and a decline of equal amount for the July.

There is no encouragement from Europe, and their crops evidently are getting along normally. Liverpool July future is only a trifle higher in price than ours. The Winnipeg market was reasonably strong during most of the session, but as their futures are way below ours not much attention is being paid to same, although we doubt whether at the present time much wheat can be imported profitably.

Primary receipts continue to be light --only 240,000 bu, while shipments were 416,000 bu, more than one-half of which came from Chicago. The Chicago shipments of 213,000 bu call attention to the fact that with only eight days to go before delivery day, the outlook for deliveries at least early in May is not very promising. This keeps the May future comparatively strong, and it is still a question whether the longs, shorts or hedgers will wish to liquidate first. The open interest declined yesterday about one million bu, but is still 38,353,000 bu.

There were heavy sales again reported out of Chicago today, although a large part of same was hard wheat, the total amounting to 143,000 bu.

The Kansas City market was comparatively the weakest, and as they are nearest to the great center of production, we feel that they take a little more hopeful outlook of the crop after the few showers which that state has received.

Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 205,000 bu.

The corn market was firm right through the session, even at periods when wheat was the weakest. The trade is very much impressed with the daily sales from Chicago; it seems that this market is doing a bigger business than in many years. Total primary receipts were fair at 608,000 bu compared with 648,000 bu last week.

The oats market remains neglected, with small fluctuations, but we believe there is bound to be a tremendous liquidation in May oats during the next ten days. The open interest is still 24,871,000 bu, while last year on the same day it was only 10,187,000 bu. Receipts are very light, and the farmer is disinclined to sell at such unremunerative prices as are being offered at present. However, the quantities left on farms are still large.

Rye continues to be neglected, and total turnover in this cereal yesterday was only 406,000 bu.

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CHICAGO MERCHANTILE EX.

CHICAGO April 22, 1936.

The combination of very strong cables today and the absence of in in the wheat belt overnight, gave us a very strong opening; and one time during the session prices had gained about 1 3/4¢ per bu. ere were good sized recessions from the highest point. It seems ck of purchasing power and small interest on part of outsiders has ill to be figured with.

The open interest yesterday decreased again and is now only ,600,000 bu, which clearly shows a comparative lack of speculative gagements. This is contrary to what happened in previous years en crop scares inflamed the public and when everybody was watching e fluctuations of this premier cereal.

Those who had counted on the usual April showers certainly must much disappointed. According to the chief meteorologist of the partment of Agriculture, the rainfall in Kansas from J~~une~~an 1 to date s been only 30 per cent of normal: in Oklahoma 20 per cent; Texas per cent; and in Missouri less than 50 per cent. Inasmuch as it common knowledge that good results for vegetation can only be obined with sufficient rainfall, it is more than surprising that the eat plant so far has held up as well as it has under the adverse ather conditions. The greatest damage so far has been done in Texas, en comes Oklahoma; but in Kansas the crop on a considerable acreage ill looks reasonably well and Nebraska promises better yields per re so far than Kansas. However dry weather is predicted again for e next twenty-four hours with rising temperatures, and therefore ry unpromising conditions. So far we have had comparatively cool mperatures and while they last moisture is not as badly needed as en warm weather sets in.

Primary receipts continue to be light --only 279,000 bu compared h 297,000 bu last year; and stocks at Kansas City and Minneapolis ow a decrease of 429,000 bu.

Cables closed at an advance of 3/4¢ per bu. It is reported that large export business took place overnight, heavy sales being rerted from Canada; this also stimulated Winnipeg futures, which at nes showed great strength.

At the close our market showed an advance of 1 3/8¢ per bu for e May wheat and 3/4¢ for the July.

Broomhall estimates the world's carryover on August 1, figuring ocks in the Argentine and Australia only to the extent of what surus they will have, at 360 million bu compared with 575 million bu August 1, 1935. However as far as the world's situation is conrned, considering that Canada and Argentina had such very poor ops, this could easily be made up with better yields in those counes. We also assume that as far as the United States is concerned, the spring wheat crop comes through all right we shall also raise siderably more wheat than last year in spite of the damage to the ter wheat which has already been done.

The old-crop future at times showed great strength, and some prehension on part of shorts will be felt as long as daily shipts from Chicago are so much in excess of receipts, and as long as sales continue to be made. Today shipments were over 100,000 bu, new sales of 43,000 bu were reported. We estimate that by the of this week stocks in Chicago will have been reduced to about illion bu. Stocks of #2 red wheat in public elevators are 1,225,000

We believe the largest portion of private stocks could be turned o contract wheat, with the exception of perhaps 500,000 bu which feed wheat or of inferior quality.

The corn market was exceptionally strong, and the demand for s cereal remains very good, sales of 84,000 bu being reported from cago.

Oats and rye remained neglected, and followed reluctantly the dency of the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

April 23, 1936

Liverpool wheat cables closed from 3/4 to 1¢ per bushel lower.
t appears as though it is quite difficult for that market to maintain
ny strength for more than a day or two. This, in spite of the fact
hat world shipments are likely to be very small again this week.
here were no clearances from Russia, only 144,000 bu from the Black
ea, and estimated Argentine clearances are only 919,000 bu compared
ith 2,350,000 bu similar period in 1935. Australian and Canadian ship-
ents are not apt to be of such volume that the total for the week will
e of considerable size. This indicates not only a small consumption,
ut also great indifference on part of millers and speculators, des-
ite the complicated political situation. The only reasonable explana-
ion we can give is the fact that the Canadian policy of disposing of
er huge accumulations is so well known that England and all the other
mporting countries are well aware that this wheat is at their dis-
osal whenever they want it. This is again confirmed by evidence given
y the Chairman of the Wheat Board, that Canada had been successful in
educing her stocks about 60 million bu between December 7, 1935 and
anuary 31, 1936; and they are looking forward to reducing their carry-
ver to about 125 million bu before the new crop comes on the market.
hile this, no doubt, is a very wise policy in view of the fact that
oon a new crop will be harvested, which might be a very much larger
ne than in 1935, it is not very encouraging to the bull on wheat price

The domestic situation has undergone no change. The weather
ap again showed not a drop of moisture in Nebraska, Kansas, Missouri
r Oklahoma, and prospects for precipitation during the next twenty-
our hours are also not encouraging, as the official forecast does not
ndicate any moisture for Kansas or Oklahoma, with warmer temperatures.
hat the market declined nevertheless, was a surprise to many traders,
nd uncertainties are bound to continue until we come closer to the
eriod where more accurate estimates can be given as to the size of the
rop. During most of the session May wheat, or the old-crop future,
ept comparatively strong, and shorts and hedgers seemed to be very
uch concerned.

There is no question that the amount available for delivery in
hicago during the month of May will at best be only very moderate,
nd much will depend upon whether many of the present owners will be
nclined to carry much wheat over into June, feeling that it might be
isposed of before the new crop comes on the market. It is possible
hat with this widening difference between May and July, the demand
ill not be quite as keen as it was, and sales today out of Chicago
ere only 36,000 bu, which was considerably less than heretofore.

Primary receipts were fair at 336,000 bu against 312,000 bu last
eek, but in an ordinary year they would be considered as very small.
tocks at Kansas City and Minneapolis so far this week decreased
04,000 bu.

At the close the wheat market showed a decline of 7/8¢ per bu
or the May future and 1 1/4¢ for the July.

While corn had to give way a little in sympathy with the de-
line in wheat, it kept comparatively strong. It is reported that
harters had been made for about 1 1/2 million bu of corn to move out
f Chicago, which will cut a large hole into our very small stocks
s registered in the visible supply. Total receipts today were
34,000 bu versus 520,000 bu. The market showed a small decline in
he deferred futures but May kept very strong, being practically un-
hanged.

Oats are still doing very little, but the open interest in May
s still 23,341,000 bu, which is very large considering that a week
rom today will be the last day before owners will be confronted with
he possibility of deliveries the day following. We believe there will
e fair-sized deliveries, and do not anticipate anybody being very
nxious to pay for same, as we do not think oats can be merchandised
ery easily.

Rye closed somewhat lower in sympathy with the sister cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO April 24, 1936

Dry weather continues in the Southwest and ordinarily this would ve given us a big bull market. There are many modifying conditions ich so far have kept traders from becoming too enthusiastic, and treme caution is prevailing.

To start with the world wheat situation is still quite unsatis- ctory. Liverpool cables remain weak, showing an advance of only /8¢ per bushel, and their July price is only a couple cents higher an ours. This in face of very small importations. Argentine ship- nts this week will be 880,000 bu compared with 2,350,000 bu last ar; Australian shipments amount to 1,370,000 bu against 1,693,000 last year, making a deficiency of about 1,700,000 bu. Also it is cognized that so far,on account of exceptionally cool weather, the ant has not suffered as much as expected, and that a good soaking in could do wonders. This refers more to Kansas and Nebraska, as believe that in Texas and Oklahoma irreparable damage has been done. addition, the fact that the stock market had a very severe setback also a drawback to speculation on the constructive side. When- er stocks decline sharply, some of the Wall Street operators wish to ll something as a protection against further declines in stock values, d wheat under normal conditions offers a favorable opportunity. How- er, if the dryness should continue it would become the paramount ctor and might possibly overcome all the other obstacles. On the ather map there are no indications of moisture where it is badly eded, and if tomorrow there should be a repetition of these atmos- eric conditions, the wheat market possibly might get out of its rut.

Primary receipts continue to be light, 312,000 bu., although ey compare with only 256,000 bu. last year when they were also ceptionally small. Naturally this will cause withdrawals from rminal points. Stocks at Kansas City, Duluth and Minneapolis so r for the week show a decrease of 597,000 bu. Inasmuch as we also ok forward to a heavy decrease this week at Chicago and many other ints, we should not be surprised if the total reduction in the sible Supply turned out to be larger than last year when it was ,111,000 bu.

At the present time not a great deal of attention is paid to the eat crop outlook in Canada, because it is very early in the season d the trade also assumes that possibly our crop will not be large ough, so we would be dependent on world prices. Nevertheless, anada, the largest wheat exporter, will have great influence (actual- y and sentimentally) on world prices, according to the outcome of her op. Prospects are much more favorable at the present time than ey were in 1935, as soil moisture conditions continue to be excellent r reception of the seed. Of course much will depend upon the weather ring the summer months.

Sales out of Chicago amounted to 72,000 bu and the open interest May wheat was 36,630,000 bu at the close last night. Stocks of all rieties in this city, including feed wheat, probably will not amount more than 4 million bu by next Monday. Naturally there is bound be heavy liquidation in May wheat before delivery day. On the her hand, as No. 2 red wheat is still bringing a moderate premium, me consumers, as well as others, might be willing to pay for the eat if any is delivered; but we doubt whether any deliveries will made early in the month. In any case, it is not likely that much eat will be attracted from outside points unless prices should in- rease considerably.

At the close our market showed an advance of about 3/4¢ for May d 5/8¢ for July wheat.

Corn receipts continue to be quite satisfactory, primary receipts ing 703,000 bu compared to 594,000 bu last week. However, the de- and also remains very good, and heavy shipments by lake are antic- pated. The undertone of the market was strong without any sharp luctuations.

Oats and rye fluctuated but very little. The open interest in ay oats was still 22 1/2 million bu last night, and we feel that same ust be liquidated soon. We also expect fair sized deliveries on May ats contracts.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO April 25, 1936.

French elections start tomorrow; and the outcome will be watched by the whole world with more interest than usual, because the final groupings of the parties will have much effect on whether or not that country will go off the gold basis. Opinions are quite general that it will be impossible for France to maintain its present parity. She is losing gold again, her actual holdings are the smallest in many years, although still large, but a country which makes more military preparations than almost any other, must also be prepared financially in case of war. Of course even though one may have decided opinions as to final devaluation the time element is also important, and where politics play such a large part, it is always difficult to predict when the final decision will be made.

The French political outlook, we believe, had a great deal to do with the late weakness in stocks, which in turn also influences speculative engagements in grain. It is our opinion that when the Franc is finally devalued the effect on commodity prices will be less than many anticipate at the present time. It is now almost five years since England went off the gold basis, almost three years since we changed our monetary policy, and yet the effect on commodities has been only moderate.

It is true, cotton, copper, wheat, corn and animals are all higher and bringing better prices than those which prevailed when the depression was the greatest, but yet it is to be assumed that there would have been a natural improvement anyhow, particularly in this country when the government brought about an artificial reduction in grain acreage, and at the same time reduced the amount of animals either by outright killing them, or cooperation by the farmers.

For the present, therefore, we still want to adhere to our theory that the price of next year's wheat crop will depend largely upon yields, which again will depend upon the weather.

There were some very light showers at widely scattered places in the Southwest, but the probability is increasing that during the next 24 to 48 hours there will be more moisture. In consequence, wheat had a weaker opening, and while there were some reactions, the close for future months showed a decline of 3/8¢ per bu for the May and 1¢ for the July.

Liverpool cables were no particular influence, although they closed from 1/4 to 5/8¢ per bu higher, chiefly caused by anticipated small world shipments.

During our entire session there was comparative strength in the May wheat. Shipments from Chicago this week were 563,000 bu, while receipts were only 120,000 bu, a good part of which, undoubtedly, will be needed by local mills. We, therefore, look for a very large decrease in the visible stocks in Chicago on Monday. There were further sales made of 55,000 bu. Although the wheat which is being shipped is bringing only a slight premium, yet better prices than if delivered on contract; therefore, we look for very small deliveries next Friday morning. The open interest is decreasing but slowly, and still amounts to almost 36 million bu. Inasmuch as a good deal might have to be liquidated before the first of the month the tightness of the situation might not be felt until later during the month.

Primary receipts continue to be light --282,000 bu compared with 289,000 bu last year. Stocks at Kansas City and Minneapolis o far this week show a decrease of 576,000 bu, and we anticipate a fairly large decrease in the visible supply on Monday.

The weekly weather prediction does not indicate much moisture, ut, nevertheless, buying power at present seems to be at a very low bb, hopes still existing that rainfall might come in time to save he crop.

Corn held comparatively firm, as a good demand for the cash article exists. Primary receipts today were 864,000 bu. We do not ook for any heavy accumulations, and believe it will be wanted as ast as it is received.

Oats and rye fluctuated but little.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 27, 1936.

And then it rained! This tells the whole story of today's sharp wheat decline. The amount of moisture all over the Southwest had een so deficient for several months that the anxiety about saving our wheat crop in that territory was very pronounced. This particularly so as our very burdensome stocks had been largely reduced. Traders watched the weather map from day to day, from week to week, without receiving much satisfaction. To everyone's surprise the actual damage to the wheat crop up to last Saturday was not as great as one would have imagined. When weather is cool the plant can stand dryness for a long time, particularly when it is well rooted, as it was this year. However, warmer weather was due and the reserve moisture was so little that a continuation of these dry conditions might have been very serious Fortunately we believe the rains which occurred during the last forty-eight hours came in time to do a great deal of good. They were of fair quantity, of course not sufficient to raise the most optimistic views, but the weather map indicates that further showers will follow, and it is always the safest proposition to assume that normal conditions from now on might prevail. If so, we might raise a very fair-sized winter wheat crop. It is much too early to put the final yields into actual figures, but with a normal spring wheat crop the outlook now is such that we might raise considerably above home consumption and be compelled to export our surplus either in a natural way or through government subsidies.

On this assumption the foreign situation again becomes very interesting. Liverpool cables declined 1 3/8¢ per bu, influenced chiefly by the news from this side.

The amount on passage is virtually the same as in 1935 similar week about 31 million bu. The disappointing part is the small world shipments amounting to only 5,831,000 bu compared with 8,274,000 bu; and the total clearances from all exporting countries the past ten months are now 50 million bu less than last season. There never has been such an indifferent demand on part of foreigners for imported wheat during the last twenty or thirty years as there has been this year. If this is not temporary, but permanent, owing to larger efforts on part of every country to raise enough for its own sustenance, exporting countries will be compelled to reduce their acreages. Foreign consumption has been so small that the almost total failure of the Argentine crop has hardly been felt, nor the short crop in the United States; and even Canada has been able to reduce her carryover only moderately.

There was no attention being paid to statistics, but primary receipts were somewhat larger, 584,000 bu compared with 472,000 bu a week ago. Sales from Chicago were lighter, amounting to 37,000 bu. But the visible supply in this city shows a good-sized decrease of 378,000 bu for the week, reducing it to 4 million bu of all kinds. This continued depletion of stocks caused firmness in the May future, which gained 1¢ per bu on the July, although it was also lower in sympathy with the deferred futures. One of the weakest markets was Kansas City which is quite natural, as it is nearer the scene of production. There were further good rains in Illinois and Indiana, which also ought to improve the crop prospects in the territory tributary to Chicago.

The visible supply of wheat in the United States declined 2,385,000 bu, which is somewhat larger than same period in 1935, when it decreased 2,111,000 bu. The net is now practically the same as a year ago --amounting to 39,267,000 bu.

All recoveries during the session were very small, the tendency was continually downward, and the close showed a loss compared with Saturday of 3¢ per bu for the May future, and 4¢ for the July.

We do not think it is likely that during the next week or two there will be any drought scare, and unless we receive more encouragement from Europe, see nothing in the situation to justify an upward sustained tendency for the time being.

Corn receipts are very heavy, 1,343,000 bu versus 897,000 bu last week, but the demand remains good. This cereal keeps in a very strong position, but naturally is also influenced by the turns in wheat.

Oats and rye closed lower in sympathy with the sister cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
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ORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 28, 1936.

Liverpool wheat cables closed weak again today declining about /8 to 1 1/4¢ from the previous day. It seems that after ten months the crop year have gone, European buyers are just as confident of aining their supplies at reasonable prices without any great trouble. s in spite of the fact that Argentine, which ordinarily is the second rgest exporter, is almost completely out of the reckoning as far as plying Europe this season is concerned, and in fact cannot possibly ome a factor until their new crop is harvested next January.

The Canadian crop seems to have been underestimated again although to a large extent. According to the receipts up to April 24th, it estimated that farmers' stocks should have been reduced to 11,860,- bu. During the last week they marketed 1,414,000 bu and as there fourteen weeks more to go to end their crop year (August 1), it tainly looks that more wheat than that would be marketed. Besides re is also some carryover and the last bushel is not sold before ir new season starts.

Importations from the United States for the week ended April 18th unted to 249,000 bu for home consumption, the total this year now ng 28,138,000 bu, which is much less than was expected earlier. ever the probability for this coming season is that there will be importations at all as they were only made possible by the extremely h premiums for spring wheat, Therefore when comparisons are being le it is well to consider that our crop might be 30 million bu larger yet the pressure would not be any greater than the past season.

Today's market was again influenced by the weather map. It did show any more rains in the wheat belt where the largest quantities grown, but there are possibilities for further showers in the thwest, and it is of course assumed that the rains which we had will lots of good and that from now on we shall hear of improving con- ions. At the same time the trade recognizes that when warm wea- er sets in lots of moisture will be needed and it is yet too early to ermine what the final outcome of the winter wheat crop might be. ally, of course, the size of the spring wheat yields may be the ermining factor in shaping prices.

The only positive statement which can be made at the present e is the fact that should we have a sizable surplus for export, price level looks very high compared to European markets when ight and other expenses are considered. Only on the basis that are possibly again on a domestic level can our present price ucture be justified.

Primary receipts continue to be light --235,000 bu compared with ,000 bu last year and stocks at Kansas City and Minneapolis so far w a decrease of 160,000 bu. The open interest in May wheat de- ased yesterday 1,584,000 bu and has been now reduced to 33,670,000

This is a large quantity to be adjusted during May, there be- only two more business days left, outside of today, until delivery e approaches. The situation remains very uncertain. The amount No. 2 Red wheat in public elevators is only 1,158,000 bu, and as is assumed that much of it is held in very tight hands, we do not k for many if any deliveries on the first of the month. With a ening differential for May over July, however, this might change, some of the holders might prefer to sell out rather than to carry wheat into the next crop. Much will depend upon the demand which l develop in the meantime.

Today's sales out of Chicago were lighter, amounting to 20,000

At the close the market showed an advance of 7/8¢ per bu for the and 1/8 to 1/4 for the deferred futures.

The corn market continues to show a firm undertone, and with the d demand prevailing, there seems to be no great pressure at any e.

As far as oats are concerned, the trade is mostly confined to nging May oats over to July. The longs seem to be satisfied to over into the next futures month at existing differences, and gers also appear to wish to defer their engagements. However believe deliveries will be very large, and that finally the difence between May and July oats will widen.

Trade in rye remains indifferent.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
IEW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 29, 1936.

There were many important rains overnight in the Southwest, chief-
y in northern Kansas and in Nebraska, as well as Missouri and East of
ere. They will undoubtedly do an immeasurable amount of good. Texas
nd Oklahoma have the least chance of all the Southwestern states to
ecover from the damage which has already been done; but even there
here is an appreciable improvement from the outlook of a week ago.

The wheat market in consequence opened somewhat lower but steadied
uring the session, and we believe that one of the influences was the
omparatively early strength in May wheat. This future is naturally
ffected by the cash demand which is existing at the present time for
o.2 red wheat, which for all practical purposes is the only kind of
heat which is likely to be delivered on May contracts. While there
s some hard wheat here this is bringing such a premium that it would
e unprofitable to deliver it.

There were again heavy sales reported out of Chicago amounting
o 68,000 bu, and actual shipments from Chicago overnight amounted to
5,000 bu, thus indicating a very large decrease in Chicago stocks
ext Monday. This naturally will continue to make shorts and hedgers
ery nervous, particularly as the open interest in May wheat last
ight was still 32,606,000 bu. On the last day of April 1935, which
orresponds with tomorrow's closing, the open interest was only
3,150,000 bu. Of course one may look at the other side of the ques-
ion: namely, few of the holders of approximately 32 million bu of
ong May wheat will finally wish to own a bushel on the last day of
ay and carry it over into a new crop at existing premiums. June as
rule is a very poor milling month, many mills closing down for a
eek or two, getting ready for the new crop and making necessary re-
airs. However should there finally be a complete reversal it may
ot come until later in the month after greater evening-up has taken
lace on both sides. After the May future is out of the way and
ill no longer be an influence, the size of the crop and the time of
he movement of the new wheat will become the all important factors.
he way it appears now we shall not only raise a sufficient amount of
heat for our own requirements, but also shall probably have a surplus
hich will have to compete with the Canadian markets. When this is
aken into consideration there is no good reason why our futures should
ell higher than those at Winnipeg, particularly as their wheat is of
etter quality and pays no duty in England, the largest importing
ountry, while there is a duty of about 6¢ a bu on United States wheat.

The reason we are more optimistic on the final total yields is
hat last week was very propitious for seeding operations in the spring
heat territory, and the soil is in very good condition to give the
ew plant a favorable start when the time comes. We are somewhat in-
lined to believe, however, that the increase in acreage will not be
s large as the Government estimated it in its last report, as the
ate spring will induce some farmers to use their lands for other
rops; also good seed wheat is probably scarce. Nevertheless the
creage ought to be larger than last season.

Primary receipts today were quite fair, and much larger than
ither last week or last year, amounting to 350,000 bu versus 279,000
a week ago and 270,000 a year ago. Stocks at Minneapolis and
ansas City so far this week decreased 219,000 bu.

During the latter part of the session there appeared to have been
ncovered many stop orders on May wheat and extensive liquidation took
lace. This is quite natural in view of the fact that many holders
not want to carry their engagements into the delivery month. Much
ill now depend upon whether enough millers or traders will be willing
take what wheat is offered for delivery during the month, or whether
ey will wish to sell it out.

At the close wheat showed a decline of 1 1/8¢ for the May wheat
d 5/8¢ per bu for the July.

Corn receipts continue to be large by way of comparison with
935 when we had a short crop, today being 728,000 bu against 599,000
the previous year. The demand is also very good; this cereal keeps
trong considering the decline in wheat, and all futures advanced.

Oats and rye on the contrary were being liquidated all during
e session, and closed moderately lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
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UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO April 30, 1936.

The wheat market gave a good account of itself today. It is true here was some encouragement from firmer cables --Liverpool futures lvancing 1/2 to 1¢ per bu; but the Winnipeg market showed great indifference and gained only a little. Therefore this could not have een the cause of the changed feeling. In fact there were a great any disturbing influences which ordinarily would have affected the rader on the constructive side of wheat.

While there has been no further rain reported, the outlook is or more showers in the Southwest overnight and there seems to be question that the precipitation we had last week will bring about eat improvements in many portions. From the interesting report H. L. Robinson, a very reliable concern, we gather that Kansas ght raise a great deal more wheat than was expected sometime ago. ey advised that the reports from their agents, especially in the orthern half of the state, are very flattering about the changed onditions and that the rains ha ve been extremely beneficial, articularly with existing cool and cloudy conditions. They add, of ourse, that more moisture will be needed, but in their opinion oisture has been sufficient for ten days to three weeks over an approximate ten million acres. The reports from Nebraska also are tremely favorable and the state crop statistician, Anderson, stated at the downpour has put the soil in southeastern Nebraska, the eaviest producing sector, in wonderful shape. In that part of the ountry they ha d rains from two to three inches during the last our days. Of course there are some areas where drought conditions ave existed for months and where the abandonment of acreage will very la rge, but we think this has been discounted when the overnment estimated about twenty-one per cent decrease in the planted ea.

There was also no encouragement from Wall Street today, and with e very weak stock market, we always have to be prepared for a entimental effect on grains. Whenever a great deal of money is beg made on advances in stocks, some of the profits are invested in eat; and when traders become very bearish on their own investments ey very often are inclined to sell cereals short in the grain arket.

Nevertheless the fair advances which took place today must be tributed to a sold-out condition after such a steady decline as we ad of late from the high point prevailing several weeks ago.

Primary receipts today were very large, being 461,000 bu compared with only 336,000 bu last week; stocks at Kansas City and nneapolis showed a decrease of 251,000 bu.

The near-by wheat future keeps particularly strong, and no otices were sent out today, so there will be no deliveries on the rst day of the month. There were again 46,000 bu of wheat sold t of Chicago; also shipments out of this city continue on a fair ale; so there will be quite a reduction in stocks again next Monday.

At the close wheat showed an advance of 1 1/8¢ per bu for the y future and 7/8¢ for the July.

There was a charter made for corn to leave Chicago, and 73,000 were reported to have been sold overnight. Primary receipts are eping up fairly well, at 604,000 bu versus 634,000 bu a week ago, t the demand seems to be good enough so that no great accumulations e being looked for. The corn market was steady to strong during l the session. Deliveries will be 40,000 bu.

However in oats, deliveries will be over 1 1/2 million bu, which a very large percentage of all the oats in public elevators, showg it is difficult to merchandise this cereal, and that the owners pect to do better by delivering than by trying to find buyers for me. The open interest in oats had been heavily reduced yesterday, t it is still 15,759,000 bu. The difference between the near-by ture and July and September appears as though it might widen.

Trade in rye was rather indifferent and followed more the other reals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
:HICAGO BOARD OF TRADE
V YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 1, 1936.

The weather map showed up much better today than had been nticipated. Showers had been general during the past 24 hours over orth Dakota, Minnesota, Nebraska and eastern and central Kansas; hey were very heavy in northeastern Kansas. Indications are also or more rain in the extreme eastern part of Kansas and east of here. he outlook, therefore, is greatly improved and entirely different rom what it was a year ago. There has been heavy damage done so ar in Oklahoma and Texas, as moisture there came rather late, and as not sufficiently heavy over a wide area to be of lasting benefit.

A private report came out this morning estimating the winter eat crop at 522 million bu, which is considerably larger than the overnment's figure of last month. It gives the states of Kansas nd Nebraska together 177 million bu; if this is realized, they will e the banner states; elsewhere results are likely to be only fair, nd in some places even poor.

On the assumption that we shall have a normal spring wheat crop, e would have a moderate quantity of wheat to spare for export. herefore developments in the Northwest will be watched with keen nterest from now on; also later on in Canada, as this is the country with which we shall have to compete in case of a surplus large nough to compel us to make shipments abroad. Opinions on the size the spring wheat acreage differ a great deal at the present time, ut soil conditions are very favorable and seeding of spring wheat pretty near completed. At present everything seems quite encouraging, but every experienced observer knows that the outcome of e spring wheat crop will finally depend much upon temperatures in ne and July, as we have seen a complete change from excellent rospects to finally great deterioration within a week or two from t, dry weather.

The outlook in Canada appears very hopeful at the moment. It true, seeding was delayed, but the surface moisture is adequate this time, and sub-soil reserves have shown great improvement compared with the last few years. There was abundant precipitation in e summer of 1935, with heavy rains and snows in late fall. Again must be repeated, that where the wheat has not been completly sown, l the vicissitudes of the weather have to be reckoned with at a ter time. Meanwhile it should not be ignored, that the importing rld at large is no longer able to absorb heavy quantities of wheat om the various exporting countries.

Argentine shipments this week were again very light --1,145,000 compared with 2,815,000 last year. Australia cleared only 467,000 bu versus 2,187,000 bu similar week in 1935. Bradstreet's earances, as far as reported, do not indicate more than probably million bu or so. Therefore another week passes with very small rld shipments, but yet Liverpool is extremely indifferent, her tures closing 1/4¢ per bu lower than yesterday. That market turally was influenced by the report of rains here, but it remains fact that the almost total crop failure in the Argentine did not ke a sufficient impression to compel them to buy much heavier from her countries.

As time goes on it will become more apparent that Canada will be t with a fairly large carryover, although, of course, nothing compared with what she had last year. On April 25, there was still left 5 million bu, with 14 weeks to go until the first of August, so that less business picks up considerably in the way of exports, the new op season might start with approximately 150 million bu of wheat, ich is equal to almost 1 1/2 years' home consumption.

(OVER)

Primary receipts today were still large, being 325,000 bu aga 312,000 bu last week and 170,000 last year. Stocks at Minneapolis, Duluth and Kansas City so far this week decreased 549,000 bu; and w look for just a normal decrease in the visible supply on Monday, co pared with 2,068,000 bu in 1935.

There were no deliveries of wheat today, but shipments out of Chicago were 56,000 bu, with receipts of only 5,000 bu, showing a steady decrease in available supplies in this city. New sales, how ever, were reported as only 25,000 bu, and there was less anxiety c part of shorts and hedgers to cover May wheat. At times when liqui ting sales took place, May wheat became comparatively quite weak. the close wheat showed a decline of 1 1/4¢ per bu for the May futur and 7/8¢ for the July.

Corn declined in sympathy with wheat, although the demand for the cash article is still very good. Further sales of 110,000 bu were reported. Primary receipts are keeping up at a fair rate, bei 700,000 bu, but shipments were almost equal, at 636,000 bu, and mor is likely to go right along by lake.

Oats were an exception to the general decline in cereals, be very strong, and the market closed higher. Deliveries so far have been well absorbed, but about 400,000 bu more were re-delivered tod and as stocks are very large we doubt whether the small difference tween May and July will continue --we rather expect a widening between the various futures.

Rye trade was very indifferent, with small fluctuations.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 2, 1936.

The weather map was considered as quite favorable overnight, heavy rains fell in parts of Oklahoma, where they were very badly eded. In fact the territory which was benefited with moisture was actically the driest in the Southwest with the exception of parts Texas, and the furthest Southwestern part of Kansas, which has out been given up as producing much this season. This has already en discounted in the large abandonment which the trade had figured , or 21 per cent of the total area.

If this assumption is correct, we are dealing now with an reage of 37 1/2 to 38 million acres which will be left standing mpared with about 31 million acres last year. In other words, 1/2 million more acres; this alone should produce 91 million bu, suming the average yield per acre will be the same as in 1935. this basis figuring last year's crop of 433 million bu, and adding that 91 million bu, would give us 524 million bu, or practically e same result as Mrs. Miller arrived at yesterday in her calculaon obtained in a different way. The presumption is, however, with ese additional rains which have fallen, and discounting already the recast for next week for much moisture in the Southwest, that this y be a season when instead of continued deterioration we might ve steady improvements, and the final result might be above present pectations .

Inasmuch as the four northwestern states also had a poor op of spring wheat last year, it is only reasonable to suppose that e same calamity will not occur again. Therefore an outlook for much larger crop than is needed for home consumption is now in ght.

Liverpool is fully cognizant of this condition, and her tures showed a decline of 1/4 to 3/4¢ per bu compared with yesterday, reasons for this weakness, Broomhall gives the decline in North erican markets and improved weather conditions here. Otherwise e situation abroad would be strong, as old supplies are by no ans abundant, and world shipments for the week, exclusive of Canada, taled only 3,624,000 bu against 3,138,000 bu the preceding week.

Primary receipts are keeping up remarkably well, being 365,000 versus 282,000 a week ago. Stocks at Kansas City and Minneapolis far this week decreased 421,000 bu. There were heavy shipments t of Chicago today --198,000 bu, and total for the week was 469,000 , while receipts were only 77,000 bu. Therefore there must be other great reduction in Chicago stocks; and this situation makes e shorts and hedgers in May wheat rather nervous.

At the close wheat showed a decline of 1/4¢ per bu for the y future and 1/2¢ for the July.

Primary receipts of corn were quite heavy --833,000 bu comred with only 281,000 bu a year ago, but the demand is equally od, and shipments were 663,000 bu versus 194,000 bu in 1935. In ite of the fair demand corn declined in sympathy with wheat.

Oats and rye remained neglected with very small fluctuations.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 4, 1936.

Before our session opened everybody discussed the results of the
nch election. As the world is so closely interwoven economically,
big event occurring in one country affects all the others. There
no great surprise in that the election shows a tendency to the left,
this at the present time is a world-wide phenomenon. It is dif-
ult as yet to predict the consequences. Both sides in their elec-
n speeches expressed themselves as opposed to devaluation of the
nc, but regardless of intentions, should the French citizens become
rmed and commence to hoard gold, either at home or ship it abroad,
aluation might become inevitable. The immediate effect was a
ening discount on deferred sales of the French currency, and 90-day
hange was from 6 to 7 per cent below the spot value. It is supposed
t French investors own quite a good many American stocks, the sale
which, should devaluation take place, might influence the stock
ket actua lly and sentimentally, but the fact that security fluctua-
ons were only very small, indicates to us that events up to the pre-
t time have been fully discounted.

As far as wheat is concerned, we do not think, unless something
y radical happens, that it will be affected much either way. France
practically self-sustaining, and our price level will depend more
n the size of our domestic crop, and also that of other exporting
ntries.

The weather map was considered as rather favorable, as there
e fair amounts of rain in some parts of the southwestern territory
re it was the very driest, and where the crops ha ve almost been
en up. It is too late to expect much recovery where the drought
the most severe, but yet there is always the possibility of some
rovement. Altogether the outlook for the winter wheat crop is much
e hopeful than it was during the last four years. Of course then
crops were exceedingly small, and it is not much of a trick to
pass the quantities produced at that time.

To refreshen our readers' memories, in 1932, we raised only
3 million bu; in 1933, 350 million; in 1934, 405 million bu; and
1935, 433 million bu. This compares with about 653 million bu
the preceding four years from 1928 to 1931, inclusive. The first
ivate estimate as of May 1st with 522 million bu would give us
r 100 million bu more than the average of the last four seasons.
course, everything has changed so much in recent years, especially
fact that we are practically out of the export business now and
t other countries raise sufficient to supply all importing demands.
refore comparisons with previous periods when the United States
relied upon to help feed many countries are valueless. No country
reciates this changed condition more than England, the largest buyer
imported wheat, and she has adopted a hand-to-mouth policy which
bles her to purchase supplies on very advantageous terms. Futures
Liverpool declined again today from 1/4 to 1/2¢ per bu.

World shipments amounted to 9,895,000 bu versus 9,064,000 bu
ear ago. The most encouraging feature was the larger takings from
a da, amounting to 6,291,000 bu, with only 2,718,000 bu in 1935
ila r week. We believe these were probably the heaviest clearances
m Canada since early in the season.

Primary receipts continue to be large by way of comparison,
ng 521,000 bu, with only 336,000 bu a year ago. In consequence
visible supply is not decreasing as fast as it should, the re-
tion being 1,598,000 bu against 2,068,000 bu last year; the total
terminal points now is about the same as a year ago --37,669,000.
cago stocks decreased 444,000 bu, and the total in this city of all
ds of wheat has been reduced to 3,562,000 bu. While this is not a
y large quantity, we think it is sufficient for all purposes,
ticularly as the demand is less active than it was. Nevertheless
h open trades last Saturday still 26 million bu, it is difficult
determine what the outcome will be, as much will depend upon whether
longs or the shorts will be the more stubborn to liquidate.

Toward the latter part of the session there were rumors that
eral private crop reports, which will be given to the public tomorrow
l be very bullish, and will indicate a much smaller crop than we were
to believe. This firmed up the ma rket from early declines, and
the close wheat showed an advance of 3/8¢ per bu for the May future
3/4¢ for the July.

Corn receipts keep up large, 1,003,000 bu, but the demand also
fairly steady. This cereal recovered quickly from the early decline.

Trade in oats and rye was very limited without any sharp
ctuations.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
V YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 5, 1936.

The weather map did not show a great deal of moisture over-
ight but a few scattered showers have fallen the past twenty-four
ours in Kansas and in a few widely scattered areas elsewhere. Other-
ise clear weather was indicated.

All attention today, however, was concentrated on the private
rain crop estimates, but as it was already anticipated yesterday
hat they would show much lower results than the one which had come
ut previously, the trade was prepared for very low figures and their
ublication finally was largely discounted. Taking all the experts
n an average, a winter wheat crop is promised of 485 million bu,
hich compares with the government's estimate of a month ago of 493
illion bu, and a final crop in 1935 of 433 million bu. These yields
ould be rather disappointing considering that the acreage left stand-
ng will probably be about 6 million acres more than last year, and
n order for the low figures to be realized the final yields per
ushel per acre would be approximately one bushel less than in 1935.
onsidering that we had practically nothing but bad weather after
his time last season, the chances are that we have heard about the
orst and that from now on general improvement will take place and
inal results might be considerably better.

An official report was also furnished today giving the amount
f wheat in big mills as of April 1. As we had official reports be-
ore on the amount of wheat in interior mills and elevators, and in
armers' hands, as well as the commercial supply, we now know that
he total as of April 1 in all these positions was 287 million bu
ompared with 300 million bu same period last year. Therefore as-
uming that there will be no further comparative changes, we assume
hat our carryover this year will be about 13 million bu less than
ast season. This gives us an opportunity to estimate how much
here was actually consumed, and we arrive at the result as follows:

Crop	603	million	bu
Importations for home consumption	28	"	"
Draft on carryover	13	"	"
Total consumption this season- -	644	"	"

his again leads us to further conclusions.

ssuming the winter wheat crop should be	485	million	bu	
spring wheat crop	250	"	"	
r a total of- - - - - - - - - - - - - - - -	735	"	"	
onsumption	644	"	"	
ould leave	91	"	"	for export.

Of course the amount of spring wheat is problematic and might
e 50 million bu less if disaster should happen and 50 million bu
ore if we should have extraordinarily fine weather. Therefore the
utcome of this crop will finally largely determine the price of wheat.

Under the circumstances the foreign situation also must not be
gnored. Cables were 5/8 to 1¢ higher, but Broomhall gives as one
f the reasons the expected poor estimates of the United States crop;
nd the demand for the old wheat just remains normal and Canada will
ndoubtedly continue to furnish the bulk of the requirements. Ac-
ording to the latest statistics from there as of April 30, there
hould be only 10 million bu left in farmers' hands. The actual
rmers' sales during the week ending May 1 were 1,807,000 bu with
hirteen weeks yet to go, and as the last bushel of wheat will not
e sold, it looks as if the crop might easily have been under-estimated.

(OVER)

The actual stocks remaining without farmers' holdings on April 24 were still 223 million bu, which makes it quite certain that there will be a large amount of wheat which will be carried over in that country.

Little attention was paid to statistics, but primary receipts were rather small, 268,000 bu compared with 240,000 bu a year ago; and stocks at Kansas City, Duluth and Minneapolis so far this week show a net decrease of 282,000 bu.

A fact which caused a great deal of comment was liquidation in May wheat; and the decline in that future was 1 5/8¢ per bu, whi the July advanced 1/4¢ per bu. It seems that some of the most persistent longs in May wheat had changed their minds about the comparative value of May and July, and a great deal of unspreading was done. This necessitated, of course, quite a bit of buying of July wheat, which was very helpful in strengthening same. It appears to us, unless conditions change materially, that we shall have at leas 2 million bu of contract wheat left at the end of the month, and it now seems as if there would be few parties left who would be inclined to carry the load into the next crop. Therefore at the mome the feeling is rather bearish on May wheat.

Corn receipts continue to be quite fair --703,000 bu and sufficient for the immediate demand, which holds that cereal steady.

Trade in oats and rye keeps light.

UHLMANN GRAIN CO.

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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 6, 1936

Liverpool cables closed from 3/8 to 3/4¢ lower, and the Winnipeg
rket at times wase also lower, final prices showing 1/8¢ per bushel
line.

It is quite evident that any justification for higher prices is
likely to come from Europe but will have to be based on domestic
nditions. There were again few rains overnight and the weather
parts of the Southwest was quite warm, but as an offset cooler wea-
r everywhere is predicted with thunderstorms and precipitation for
h Kansas and Nebraska.

In analyzing the news one would have construed it as rather bear-
, but nevertheless as the deferred futures showed a sizable ad-
ce, traders naturally looked for an explanation. This, we think,
be easily supplied. Owing to the big premiums of cash over May
at, and May wheat over the deferred futures, there was great temp-
ion, on part of bakers and other consumers, to purchase flour for de-
red shipment at very much lower prices than they could obtain it
immediate delivery. While these transactions probably had not
n large on any one day, they had been going on steadily for quite
hile. It compelled the sellers of flour to protect themselves by
chasing July and September wheat, and of course these purchases re-
n open no matter whether prices advance or decline. It so happens
t at this time of the year the actual hedges for cash wheat (this
ng the eleventh month since the crop movement) are very low, so it
ld take short sellers to supply this demand which is created
ough these deferred flour purchases. It makes a very tight market
t now, and it will not be relieved until the actual movement starts,
n opposite transactions take place or should the weather become
favorable that the number of short sellers will increase.

There is also more or less hesitancy about coming to a final de-
ion as to the value of wheat, inasmuch as the crop experts varied
much in their estimates; therefore the layman is uncertain what the
al yields might be. There will be more clarification when the
ernment gives out its figures on May 11th. Even then, of course,
at uncertainty will continue, as we have seen some wonderful
nges after this period, both in the way of improvement or dete-
ation, as everything will depend so much upon the weather from now
Even the last few weeks before harvest favorable or unfavorable
her for the filling period will make quite a difference.

Daily statistics were practically ignored, but there was nothing
sational in the primary movement, it varying but little from day to
Receipts were 264,000 bu compared to 350,000 bu last week and
,000 bu last year. Stocks at Kansas City, Duluth and Minneapolis
a net decrease of 440,000 bu. It appears as though the visible
ply will show only a moderate decrease next Monday, thus indicating
on July 1st we shall have a carryover at terminal points fully as
ge as that of last year or possibly more. Wheat sales from Chicago
ate have been lighter, today's reports being only 28,000 bu and
al shipments for the day were only 14,000 bu. Therefore, we feel
of the Chicago stocks of wheat possibly 2 to 2 1/2 million bu
have to be carried over into the new crop. As a general rule,
mills close, at least partially, during the month of June, for
ssary repairs and June is often a poor month to merchandise wheat.
has a tendency to weaken the May future compared to the others.
he close today May wheat was 1/8¢ higher and July 5/8¢ higher.

It should also be remembered that trading in May wheat stops on
26th of the month, although deliveries may be made until the 31st.
, we think, will have the effect of inducing most holders of May
t who do not need the same to clean up trades before that day.
those who are anxious to own the actual cash wheat will be pre-
d to take delivery of whatever stocks are already here and what
t be shipped to this market during the last four or five days of
month.

Trade in corn is only moderate just now, but the undertone remains
. Receipts seem to be sufficient for the demand, although feed-
continues on a very heavy scale and there are no burdensome stocks
here.

Oats and rye continue to remain neglected, trade being extremely
.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
/ YORK PRODUCE EXCHANGE
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OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 7, 1936.

Those who based their market calculations yesterday on moisture
ernight were disappointed this morning. There were practically no
ins anywhere in the winter wheat belt. However, there were good
ins in Montana and also in the heart of Canada, particularly
skatchewan, undoubtedly benefiting the outlook in that country. The
edictions are again for showers and thunderstorms over a widely dis-
ibuted area in the Southwest. We all know that a forecaster of
ather can do no more than followthe ordinary rules, studying the
rometric pressure at the various places, the direction of the winds,
c., and in the majority of cases he seems to be fairly reliable.
metimes, of course, the unexpected happens, and no absolute system
s yet been discovered to predict future weather conditions unless
gns are so pronounced as to make certain what must happen.

We ourselves still feel the official statements should not be
nored, and therefore we assume that we are likely to have some re-
lef overnight. Much naturally will depend upon the quantity of rain-
ll with which the Southwestern territory will be favored. Inasmuch
a few heavy rains during the month or many scattered showers would
ke such a vast difference in the outcome of the winter wheat crop,
is almost idle to speculate, except within limits, on what the
nal results will be, and therefore no positive opinions can be
rmed as yet as to the ultimate likely price level of wheat. The best
at can be said now is that it is most unlikely, and almost impossible,
at we should have a bumper crop; nor do we look for a crop failure
ch as we had the last few years. We think the seeding in the spring
eat territory is very nearly, although not entirely completed, and
ospects are for an acreage somewhat the same as last year, possibly
little larger, but not anywhere near as big as the government in-
cated earlier in the season when giving the amount of estimated
anting. The weather was not altogether favorable for any extremes
the size of the acreage; also the seed for impoverished farmers
s not promptly furnished by the government, and furthermore the
teness of the season may also have been a deterrent. Nevertheless
e outlook, provided we have normal conditions from now on, is still
favor of a total crop which will give us a small, moderate or rea-
nably large surplus. If the latter should occur the prospects of
nding a market abroad would be rather discouraging.

Liverpool cables were unchanged to 1/8¢ higher and their July
eat is quoted at 90 3/8¢, hardly 3¢ per bu higher than ours. Our
ice level also compares rather badly with Canada, should we be com-
lled to ship wheat abroad, as her July wheat is almost 9¢ a bushel
eaper and in competing markets the quality justifies higher prices
an ours. Furthermore, she pays no duty to England, while our wheat
uld have to pay about 6¢ per bu, which is the duty from all countries,
clusive of the Empire.

Primary receipts continue to be moderate, being 304,000 bu com-
red with 461,000 bu last week, and 147,000 bu a year ago. Stocks at
nsas City, Duluth and Minneapolis so far this week show a decrease of
8,000 bu. The demand for old wheat from Chicago is becoming lighter,
les being reported of only 28,000 bu, and actual shipments overnight
re 44,000 bu. In other markets the cash demand is still poorer,
d the May future at Minneapolis declined 1 1/2¢ per bu today, and
Kansas City 1 3/4¢. Kansas City May wheat is now 6 1/2¢ per bu
der Chicago. Therefore for the first time in a long while it ap-
ars as though some wheat would have to come to Chicago from the
uthwest; and this is a factor which had not been reckoned with before.
is claimed that Omaha has in the neighborhood of 1 million bu of
w protein wheat, which is difficult to dispose of, and some of it
y come to this city. Should this be the case it would have a weak-
ing effect on May wheat.

At the close wheat showed a decline of 5/8¢ per bu for the May
ture and 3/8¢ for the July.

Corn receipts continue to be fair, and the demand is equally
sistent This cereal acted very strong all during the session and a
eat many traders believe it has intrinsic merit.

Oats remain neglected, but rye was independently strong, and
ems cheap compared to the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
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RK COFFEE AND SUGAR EX.
IMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

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MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 8, 1936.

Liverpool wheat cables closed 7/8 to 1 1/8¢ per bu lower, un-
otedly influenced by the more favorable reports from this side; but
according to Broomhall the greater pressure from Canada had its ef-
t. Otherwise their immediate situation ought to be very constructive,
Argentine shipments were only 953,000 bu compared with 5,604,000 bu
t year, and Australian shipments 1,848,000 bu versus 1,767,000 bu
t year.

It is quite apparent that for the next six months the importing
ld will depend largely upon Canada for its supplies, unless later on
sia should again become a factor. This is always an uncertainty. The
sibility, of course, exists that the United States might have some
at to sell abroad, but prices are so far out of line at the present
that our country cannot as yet be figured as being positively
the export column. Fortunately for the European consumers, the
adian situation is such that unless a miracle should happen their
plies next season will be so plentiful that no shortage on part of
rters need be feared.

As of May 6, with thirteen weeks to go until August 1, there was
lance available in Canada for export and carryover of virtually
million bu, and assuming the weekly exports would average 5 million
there would be a carryover of 154 million bu. There is no likeli-
any longer of imports into the United States, with the weakness in
Northwest markets, and as it is always possible that the exports
t be a little larger, it is safe to figure on stocks left on August
140 million bu or more. Seeding in the Prairie Provinces is getting
g nicely now, although somewhat later than usual, but the soil is
xcellent condition; therefore a crop of 350 to 400 million bu for
of Canada would not be extraordinary. They have raised a great deal
in years when conditions were favorable on an acreage such as is
ly to be devoted to wheat this year; but, of course, in times of
ures they produced a great deal less. Extreme failures, like bumper
s, are always scarce, and it is good policy to figure on the normal.

In our Southwest we had the most drenching rains overnight that
experienced in a very long while, and good precipitation is just
is wanted for the best results. If the past is any criterion, for
y days and weeks we probably shall hear of the great improvement in
outlook, and no doubt from many places will come a repetition of what
ave heard in other years, that the improvement is greater than any-
would have believed. It is a phenomenon that in some of the western
es timely rains can produce wonders in the way of improvement. This,
ourse, on the assumption that these rains will not be the last ones
season, and extraordinary yields are usually produced only when the
for filling is also very favorable. Much of course still remains
rtain, but the situation now justifies an optimistic view regarding
final yields, particularly as the acreage standing for winter wheat
t least 6 million acres more than last year. We are also inclined
hink that the next government report, which will come out on Monday,
take cognizance of the rains today, and as they have adopted a system
eby they take into consideration probable future weather conditions,
elieve the report will be rather bearish.

Under these circumstances the sharp decline we had today was not
rising, and at the close May wheat was off 2 7/8¢ per bu and July
38¢ compared with yesterday. The May wheat was comparatively the weak-
future, because in addition to the general bearish feeling the de-
for cash wheat is also getting poorer; and it is quite likely that
ers will continue to hold off laying in big stocks, as long as the
res are at a discount. Total sales were reported from Chicago of
37,000 bu, and shipments overnight amounted to 21,000 bu, while re-
ts were actually larger at 66,000 bu.

Primary receipts were exactly the same as last year --399,000 bu.
ks are decreasing very heavily in the Northwest, and so far this
Kansas City, Duluth and Minneapolis show a decrease of 920,000 bu.

The biggest decline today of any future was in Minneapolis May,
lost 5¢ per bu for the day. In this connection it is interesting
ote that Minneapolis May wheat at the high point sold at $1.25 1/2,
/2¢ higher than today's close. The decline in Chicago from the
of $1.07 to 93¢ was only 14¢ per bu.

The corn market suffered some in sympathy with wheat, but held
onably firm all during the session, and the demand for this cereal
ns good. Oats and rye suffered in sympathy with the other cereals,
rade in same was very light.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
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UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO 5-9-36

Liverpool wheat cables closed 1/4 to 1/2¢ per bu lower, being fluenced partially by the improved weather conditions in this coun- and partly by the Canadian situation, where there is continued ssure, enabling importers to obtain their requirements at very sona ble prices.

We had moderate to heavy rains during the past 24 hours over raska, Kansas, Oklahoma and Missouri, with cool temperatures most ideal weather for the development of the wheat plant.

Such news ordinarily would have brought about sharp declines, it seems that actual pressure at the moment in the way of hedging es is extremely small. The trade is very light and any heavy ering very easily boosts the market. This is a situation which have seen before close to the end of a crop year, but it is very ely to change materially when the new crop starts to move, and when ging sales have to be absorbed. This is particularly the case n speculation is light, and when the temptation for making invest- ts in wheat is not very great. There is also some caution by traders great uncertainties exist in the minds of same as to what the next ernment report, which will come out on Monday, will show. Inasmuch the private experts varied so much in their estimates, it is some- t difficult to guess whether the lowest or the highest yields will nearer those to be given out by the Governmental Department. We selves are inclined to believe,in view of the improvement which t have taken place, and which is anticipated that the estimated lds will be rather optimistic. In the long run we feel that the ture has entirely changed, and that we are likely to raise a able qua ntity for export. With this in view, our price for July at of about 8¢ or more over Winnipeg does not look very tempting us.

The statistics for the week show that 161,000 bu of wheat e received here, and 240,000 bu shipped out; therefore we pre- e that the reduction in local stocks will be quite moderate. It also reported that 300,000 bu of wheat had been worked from Kansas y to Chicago, and it is indicated that on further bulges in May at more might come this way. Should this be the case, it is most ely that Chicago stocks at the end of the month will be very much ger than we previously expected, and might be in the neighborhood 3 million bu. As long as May wheat remains at a premium over the y, the number of millers and traders who will care to carry over arge stock into the new crop will be very limited. Nevertheless re was no particular pressure on May wheat, which closed 7/8¢ per higher. The July future was also quite strong, inview of the rain, sing 1/2¢ per bu higher.

Primary receipts do not seem to vary much from day to day-- y were 313,000 bu today compared with 365,000 bu last week and ,000 bu last year. Stocks at Kansas City, Duluth and Minneapolis far this week show a decrease of 948,000 bu, thus indicating a -sized decrease in the visible supply on Monday, but we doubt ther it will be as much as it was a year ago when in corresponding stocks had decreased 2,555,000 bu.

The corn and oats markets were just steady without displaying interest, but rye showed considerable strength and closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 11, 1936.

Liverpool cables were quite strong today, futures advancing om 3/4 to 7/8¢ per bu, reflecting the great strength at Winnipeg Saturday.

World shipments were larger than recently, amounting to almost million bu compared with a little over 12 million bu last year; but e total up to date since July 1 is extremely light, only about 392 llion bu, and more than 50 million bu less than in 1935. With only ven weeks to go before another crop will be harvested, it appears if the importing countries had purchased less than Broomhall or any- dy else expected earlier in the season, and probably smaller quan- tities than in any year during the last twenty-five. The encouraging ature is the fact that Canada is getting rid of larger quantities w, clearing the past week 6,371,000 bu versus only 3,246,000 similar ek last season. We think this is likely to continue more or less ring the next six months until another crop is harvested in the uthern Hemisphere, as shipments from both Argentina and Australia e bound to be extremely light until next January. There is a faint ssibility that Russia might ship a little more, also the United States t the bulk undoubtedly will have to be furnished by Canada. The tuation there has greatly improved already. Total stocks on May 1 re 208 million bu against 248 million bu last year, or a reduction 40 million bu. Every week from now on will help to reduce the ocks considerably more until August 1, and then, of course, all will pend upon their new crop.

Their present outlook is quite favorable, and nothing detrimental uld be said of the prospects, except that the seeding was somewhat te; but soil conditions, which are the most important factors, are very good shape, and the acreage probably will be somewhat larger an last season. Furthermore in 1935, after this period, weather con- tions all over North America were very unfavorable, which is not kely to be repeated.

There were more very beneficial rains in the Southwest over a dely scattered territory, and the crop prospects have improved so ch that some of the more optimistic elements in the trade are talk- g already about extreme figures for Kansas. We believe that state ght easily produce considerably over 125 million bu, while of late 00 million bu was considered as almost the maximum. Everyone is ndering whether the government report today will take cognizance of ese improved conditions since May 1 or May 5, by which time most ports had been made. We believe that some attention will be paid the improvement which has taken place, and if so possibly prospective elds the same as last month would be in order.

There were 550,000 bu more wheat worked from Kansas City to icago, making a total of 850,000 bu which will come here, evidently r May delivery, as it is not likely that much of it can be disposed during the next two or three weeks, and after that the wheat would ve to be sold on basis of July delivery, which is at approximately discount of 8¢. It is rather surprising that these prospective ipments have made no great impression yet upon the price, clearly dicating that the longs up to the present time feel very safe in eir position. Whether this will continue to remain so, is question- ble, particularly if further sales should be made later on from Omaha, ich is quite likely.

The open interest in May wheat last Saturday was 19,167,000 bu. a similar day last year it had been reduced to 7,276,000 bu. We not think any single interest is the owner of a very considerable antity; that is, larger than what finally will probably be delivered.

Total stocks of all kinds of wheat in Chicago elevators are ,524,000 bu. If we deduct 500,000 bu, which might not be of delivery ade, it would still leave over 3 million bu, and adding the 850,000 ich will come here would make it appear that the quantity to be rried over into the new crop might be considerable. New sales and ipments from Chicago are not as much as they have been, and this ek's reduction is only 38,000 bu, while sales reported from here day are only 11,000 bu.

Primary receipts do not seem to vary much from day to day, and re 455,000 bu versus 521,000 bu a week ago, and 439,000 a year ago. e visible supply decreased 2,940,000 bu compared with 2,555,000 st year, and is now 443,000 bu less than corresponding week in 1935.

(OVER)

At the close the market showed a decline of 1/8¢ per bu for May wheat, and 7/8¢ for the July compared with Saturday.

Corn receipts were 875,000 bu, but the demand is keeping up, the visible supply showed an increase of only 218,000 bu, but is st very small in comparison with other years.

Trade in oats was extremely light, and so it was in rye. It seems there is not much interest displayed in these cereals at the present time.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
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ODITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 12, 1936.

The Government report which was given to the trade after the close
yesterday's session indicating a winter wheat yield of about 464
lion bu, was rather a surprise in general. Larger figures had
expected, but the pessimistic view may be easily explained, as
bably around May 1 prospects looked the poorest and the great im-
vement which has taken place since had not been taken into considera-
n. The abandonment of acreage of over 24 per cent was rather great-
than had been anticipated, but the 36 million acres left standing
t easily produce one bushel per acre more than the Government
ures, which would raise the yield to 500 million bu. With extraor-
ary weather conditions and good filling weather, there are many
cedents where final estimates exceeded the May figure by a good
l. Most students of wheat economics analyzed the situation that
; therefore, opening prices were only moderately higher than the
se of yesterday and after that there was continued liquidation
the result that prices closed lower than yesterday --May wheat
lining 1 3/4¢ per bu, and July 1¢.

There was no encouragement from abroad --Liverpool futures clos-
3/8 to 1/2¢ per bu lower, and their July wheat is only about 4¢
bu higher than ours, while it would require from 12 to 16¢ differ-
e to do a normal export business.

May wheat was comparatively the weakest and the fact that
,000 bu of wheat is coming from Kansas City must set some of the
ders of this future thinking. Chicago receipts today were actually
ger than the shipments --72,000 bu compared with 26,000 bu which
been loaded out, but new sales overnight were larger again at
000 bu.

For four or five months many had believed that a number of rich
influential people, who are well posted on the wheat situation,
accumulated large lines of wheat. This was done on the supposi-
n that all the old wheat would be wanted before the marketing of
new crop, and, therefore, that they might be able to realize remu-
ative prices from those who would have to come to them to supply
ir needs. As time went on, however, it became clearer that there
ld be no acute shortage. It now seems as though some of the
ginal holders had changed their minds and have disposed of their
perty, and that the longs of the May wheat future consist mostly
followers at the present time. It is difficult for us to point
any large interests whom we would suspect of having stuck to their
s and who are still willing to pay for much wheat, as hopes are
appearing that it can be disposed of in the short time left before
new crop comes on the market. Should this surmise be correct,
wide difference still existing between May and July might narrow
siderably. We can even see the possibility that a good deal of
s wheat might not be marketed before next July when it will come
o competition with arrivals of new wheat.

Primary receipts were very light, 284,000 bu compared to 249,000
t year, and stocks at Kansas City, Duluth and Minneapolis so far
s week show a decrease of 404,000 bu.

However no attention was paid to ordinary statistics, as messages
e pouring in from all over the Southwest, indicating wonderful im-
vements in the crop outlook. Some claimed, and we predicted some-
e ago that such improvement would come after the rains, that where
wheat was almost abandoned the outlook now is that it might yet
duce 10 to 15 bu per acre. This came from Oklahoma, in which state
some of the worst places. Under these circumstances, the govern-
t estimate of average yields on the total acreage of 12.9 per acre
tainly looks low. Even results equal to last year of 14 bu per
e, when we had nothing but bad weather after this time also would
too pessimistic on today's prospects.

Corn, oats and rye, which cereals usually sympathise with wheat,
e not affected to any considerable extent by the decline, but of
rse trade in same is extremely light, and not much interest is
ng displayed at present.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 13, 1936.

Wheat cables were quite strong today, Liverpool futures closing om 3/8 to 1 1/4¢ per bu higher than yesterday. This stimulated our ket a little after such sharp declines as we had during the last few s, but inasmuch as their July wheat is only about 4¢ over ours, it not of any great importance.

Opinions here as to the value of United States wheat are in- enced almost entirely by domestic conditions, particularly the crop look. While the Government report as of May 1st gives us some basis which to calculate what the final yield of winter wheat might be, much will depend upon whether the improvement which has taken ace during the last ten days will be maintained. It is too early be positive of the final outcome.

We think at this time it will be interesting to point out how some years the final outturn of the winter wheat crop compared with May estimate of the government report in such years when conditions ter May 1st were extremely favorable:

YEAR	MAY OUTLOOK	FINAL YIELD
1917	366 million bu	47 million more
1920	484	126
1926	549	78
1928	486	93
1930	525	75
1931	653	165

course we want to make it clear that we have only picked out the ars when great improvement had taken place in order to illustrate at might be possible. There were naturally many years when there s also deterioration after the first of May, but we think with the ins which we have had since the first of the month that this probably ll be a year of improvement rather than deterioration.

In the meantime there are very few enthusiasts left who are oking for a very high level of price this coming season. There is thing encouraging in this respect at present. Weather conditions e ideal everywhere, including our Northwest and even Canada. It is pected that the acreage in the Argentine will be largely increased; hear of no complaints from Russia, and, therefore, that country ght also be in the export column this fall; European crop prospects general have improved, and at least normal results may be expected. r carryover is likely to be only 10 to 15 million bu smaller than a ar ago, indicating no scarcity anywhere, and supplies of old-crop eat on July 1st will be about normal. In Chicago, total stocks of eat yesterday were 3,524,000 bu versus 4,421,000 bu in 1935, or abou 0,000 bu less; but inasmuch as about 850,000 bu are coming here om Kansas City, it is not impossible that at the end of May stocks y be within a small percentage of what they were in 1935.

Kansas City, Duluth and Minneapolis show a decrease in stocks so r this week of 838,000 bu --at Kansas City alone they were reduced 0,000 bu; we think a good deal of this is headed for Chicago and me of it might arrive this week. If it is intended for delivery, is possible that longs will not be called upon to pay for same til sometime next week; this is the 13th day of the month without a shel having been delivered so far. When deliveries once start pro- bly some of the owners will wish to liquidate, but in the meantime ere seems to be a tendency to await developments.

Under these circumstances, and with the light trade, some cover- g of very moderate quantities gave the May wheat a great deal of rength, final prices showing an advance of 7/8¢ per bu for the May ture, and 3/4¢ for the July.

Primary receipts were much the same as heretofore, being 262,000 today against 264,000 bu the previous week, and 220,000 a year ago. ipments fromChicago were 50,000 bu, and new sales overnight were ported as amounting to 65,000 bu.

(O V E R)

Toward the end of the session it was reported that another 100,000 bu of wheat was worked from Kansas City to come to this cit and this quantity was sold to go to store.

Reports from the Southwest continue to show improvement, but it is recognized that in some of the states, such as Texas and Oklahoma, the rains came too late to be of major importance, althou even there the moisture has been beneficial, and somewhat better results may be looked for than anticipated earlier.

Corn receipts were somewhat lighter --499,000 bu whereas las week they were 608,000. The undertone in this cereal was firm, but the advance was comparatively small considering the strength in whe

Trade in oats remained inactive, being confined mostly to changing operations.

Rye keeps independently strong and closed higher. This cerea seems cheap compared with corn and wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

May 14, 1936

Cables were weak again today, futures at Liverpool declining
to 1 1/4¢ per bushel. While the political situation abroad is
ll unstable, and from time to time has an effect on wheat prices,
one has any real fear of a war in the very near future. It does
seem as though European countries are making preparation to the
ent of accumulating heavy stocks of wheat or flour; in fact, sup-
es are quite moderate. Crop prospects abroad are very mixed, there
ng some damage reports from both France and Spain, and the outlook
Italy is unfavorable. Otherwise we have heard of no serious com-
ints. Good rains were reported in Russia, which ought to be very
pful. However, unless consumption abroad increases considerably,
ought to be easy to supply the demand of those who do not raise
ugh wheat at home to feed the populace.

Great miscalculations were made this year by practically every
at economist, as nobody expected such small world importations com-
ed to both last year and all previous seasons during the last
nty-five years. The question necessarily enters into everyone's
d whether this is permanent, owing to increased acreages and great-
production in Europe, or whether it is a temporary condition, due
heavy carryovers from previous seasons and greater economies.
bably a number of these factors contributed to the lesser demand,
in analyzing this situation thoroughly we find that the actual
ings of European countries, since August 1st, were only 11 million
less than in 1935, while non-European countries took 33 million bu
s. Therefore we have to come to the conclusion that only improved
ditions in the Oriental countries will give back the world trade
ch was lost.

In this country weather conditions continue to be ideal for the
ter wheat crop, and the consensus is now very hopeful for favorable
al results.

The estimated winter wheat acreage to be harvested this year is
932,000 acres. This compares with previous years as follows:

1935 - 31,000,000 acres
1934 - 32,968,000
1933 - 28,485,000
1932 - 35,216,000

sequently there is a larger wheat acreage standing than for the last
r years, but they made a very poor record for yields which were as
lows:

1935 - 433,447,000 bushels
1934 - 405,552,000
1933 - 350,792,000
1932 - 478,291,000

yields per acre were also very small then, and it now appears as
this season results would be considerably better than during the
iods mentioned above.

Primary receipts today were 367,000 bu compared to 304,000 bu
t week. Stocks at Kansas City, Duluth and Minneapolis show a de-
ase of 1,624,000 bu so far this week. There is a large decrease
Duluth where, on account of the lower premiums for spring wheat,
ood demand has developed. The large decrease at Kansas City is
to heavy shipments to Chicago to largely fill May contracts. About
cars of wheat from the Southwest were received here today, and as
vy shipments are now being made every day to Chicago, we think they
l all arrive within a week or so, and then we may look forward to
vy deliveries on May contracts. In the meantime, this future re-
ns reasonably strong all because of a "mysterious" belief that some-
y is anxious to pay for a large quantity. Should this prove to
correct, then of course the present premium might be justified; but
incorrect, May and July wheat might sell much closer.

At the close May wheat was 1/4¢ lower and July 3/8¢ lower than
terday. Our May wheat is now 9¢ over Kansas City May wheat, which
ht make it possible to bring some more wheat here from both Kansas
y and Omaha to relieve the short interest.

Trade in corn was rather light, but prices were well maintained.
was again in good demand at advancing prices, while speculative
erest in oats remains very indifferent.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO May 15, 1936.

Liverpool cables ha d a stronger undertone today, futures clos- g there 5/8 to 7/8¢ per bu higher.

Argentine and Australian shipments for the week were only 3,494,-- 0 bu compared with 5,075,000 bu last year, clearly indicating that e importing world depends very largely upon heavy Canadian shipments. wever that country seems to be disposed to supply the European needs, d their market shows no decided tendency upwards. They are probably fluenced by the reasonably fair outlook for the new crop, and it is turally good business to reduce the old holdings as much as possible fore it comes into competition with new arrivals after next August.

In this country, fair weather prevailed over the entire district ring the past twenty-four hours, with rainfall inconsequential. mperatures generally are above normal over the western states and ightly below in the central and eastern districts. However as thing is ever entirely perfect in this world we think weather con- tions at the present time are about as ideal for the best develop- nt of the plant a s is possible. After the recent rains optimism garding the final crop outlook was so great that any questioning this point has an immediate effect on the market. As the crop ter all is not yet made and as the size of it will not be known for me time, great hesitancy will continue at the present level of prices. is will probably change when the new crop starts to move and hedging les become a factor again. It is quite natural during the early op movement that supplies are larger than the demand, that stocks ll accumulate and that greater pressure will prevail than exists at e present time.

Another uncertainty exists regarding the ultimate outcome of e May wheat future, Opinions on this are very much divided, and e open interest was still 16,783,000 bu last night. With only ten siness days to go, including today, before all trading in May wheat ll cease, both shorts and longs have little time left to adjust eir contracts. It is quite true that deliveries may be made after e 26th until the end of the month, but no new purchases or sales of y wheat will take place. Should May wheat close at a reasonably gh price so that the actual wheat will be wanted, it might have a mpathetic influence on the July wheat, and vice versa. If the old eat should not be wanted, despite our short crop, there would not be ch hope for July wheat, unless the crop should deteriorate. The y it appears at the present time the hard wheat will be delivered rst, as there is a better demand for the soft wheat than for the rmer. The hard wheat which is arriving here is of rather low pro- in content and, therefore, not as desirable for milling as the other d it will not be easy to merchandise. Should it have to be carried er until July it will come into competition with hard wheat from linois and possibly from the Southwest, with the possibility that e early new wheat might be of choicer quality, and of course the emium over July of about 8 1/2¢ would then look very high.

Receipts in Chicago today were 119,000 bu and shipments only ,000 bu. New sales were also lighter, amounting to 32,000 bu. is only reasonable to suppose that from now on stocks in this ty will increase, as sales to Chicago so far have been reported of ,000,000 bu, with the probability that more will come. So far up the middle of the month, not a single bushel of wheat has been livered on May contracts, but we look for the first deliveries next esday or Wednesday, as it takes some time to switch the new arrivals their respective elevators for unloading. After that deliveries e likely to increase steadily.

(OVER)

It is also considered advisable to clean up May contracts before the last day of trading --or the 26th, because price changes are limited to 5¢ a bushel per day. Should there be extreme fluctu- tions the longs might be in a position where they could not sell it at all, except for cash wheat; the shorts might also be in a dilem if they could not cover, although they possibly might bring the cas article here from other markets or buy it from elevator concerns in order to fill their contracts.

Trade was very light early, but improved considerably when a moderate advance started --the close was 5/8¢ per bu higher for the May future and 5/8¢ for the July.

Primary receipts were 438,000 bu, which is much heavier than lately, but includes shifting from one terminal to another. Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 2,127,000 bu. We look for a good-sized decrease in the visible supply on Monday, which compares with a reduction same peri last year of 2,835,000 bu.

Corn closed somewhat higher, partly in sympathy with wheat, b there was no particular pressure in this cereal.

Oats continue to show great indifference, but rye keeps a st undertone.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO, May 16, 1936

Before our session opened, as always on Saturday, Liverpool mar- s were closed and their futures had declined overnight 3/4 to 7/8¢ bushel. This gave us a rather weak opening, but the same as of late re was no particular pressure, and when the local element discovered re was not much wheat for sale they felt it more advisable to take constructive side, and advances took place bit by bit from the low- point, closing prices being 1/8¢ lower for July wheat and 1/4¢ her for May compared with yesterday.

At this time of the year, of course, the amount of hedged wheat omparatively small, as stocks had been continually decreasing since close of navigation, and it will be more than a month yet until new at will be offered to arrive, which will bring in new hedges. This the reason why very frequently during the month of May prices are paratively strong, while June very often is a month of declines. s season may be no exception, provided weather plays no havoc and crop from now on will mature normally so that present prospective lds can be maintained, and might even be somewhat improved. This a week of most ideal weather, and yet July wheat declined only per bushel compared with last Saturday. Also there were tremendous pments from Kansas City to Chicago which were not looked for, and s also made no impression so far on the May wheat, which also de- ned only 3/8¢. One of the reasons might be that as yet there have n no actual deliveries on May contracts. A scarcity of wheat before new crop moves had been so well advertised that the longs seem to more stubborn than ever; but whether they will maintain this posi- n after deliveries are made is another question. As it takes from ee to five days for arrivals here to reach the elevators and be un- ded, we do not look for heavy deliveries until next Wednesday, but m that day on we think they will come in very large quantities.

It remains to be seen whether this will change the situation or ther millers and speculators are willing to pay for the wheat with hope of merchandising it during the month of June. To us it ap- rs as if the chances for getting this wheat into consumptive chan- s are not very good; and from what we understand so far about 00,000 bu have been worked for this market. As far as we know only 00 bu have been resold to millers, and whatever cannot be so dis- ed of, we presume, will have to be delivered on May contracts. The t price of this wheat figures about 1 1/4¢ over May, or 9¢ over y, so that after the end of this month the owner will be at a great advantage, having to base his selling prices on the July future.

There were some attempts made today to sell some June wheat at iscount under the May, but buyers do not seem to be anxious to en- into trades for that month, and nothing was consummated.

The demand in general for wheat from this city is poorer, and y 21,000 bu were sold to go out today. The weekly shipments, how- r, were 280,000 bu, but with the new arrivals we figure on an in- ase in Chicago stocks, and before the end of the month we should not surprised if they would go to 4 or 4 1/2 million bu. Much will de- d upon whether a great deal of wheat from other terminals will come this city, as we do not expect any receipts to speak of from the winter districts which are tributary to Chicago. There are sup- ed to be about 6 or 700,000 bu of wheat in Omaha which is seeking a ket, and under certain favorable conditions some No.2 hard wheat ht come from Duluth, but only, as we understand it, in moderate ntities, and only on the assumption that May wheat prices work high- compared with July.

Primary receipts of wheat today were 378,000 bu versus 313,000 last week, but it always must be considered that part of the re- pts here are now receipts from other terminal markets. Stocks at sas City, Duluth and Minneapolis show a decrease this week of ,29,000 bu, and as possibly only a very small part of the Chicago re- pts from other places have been unloaded, we expect a very large de- ase in the visible supply on Monday.

Corn was independently strong during the whole session.

Oats transactions were confined almost entirely to changing rations, but rye kept quite strong.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO May 18, 1936.

Early influences in the wheat market were the weak cables, utures at Liverpool declining from 1/4 to 1 1/4¢ per bu, and the ore favorable weather over Sunday. Scattered showers had fallen ver Kansas, eastern Nebraska, Missouri, Illinois, and Iowa, with emperatures lower in western territory becoming cooler over the entral section. In other words, weather is about as near perfect s can be at this time of the year.

After opening trades were executed at lower values the trade ecame extremely dull and there was no excitement at any time with he smallest fluctuations possible. The foreign situation remains ery discouraging. Total world shipments for the week were only 8,915,000 bu versus 10,636,000 bu last year same period. In spite f small clearances from the Southern Hemisphere, those from North merica did not increase very much --Canada shipped only 4,831,000 u compared with 4,177,000 a year ago. While it had been hoped hat Canada would be able to export on a very much larger scale, wing to the very poor Argentine crop, Broomhall now points out here are indications that the Danubian countries, provided their resent prospects are maintained, will be able to make up a great deal f this deficiency. On passage statement is within a few bushels of hat it was last year --32,952,000 bu, showing a comparatively small onsumption in Europe.

A great many traders believe lightness of interest in the heat market at the present time is partly due to the great uncertainty still existing as to the final outcome of the May wheat uture, with only seven business days left until both shorts and ongs will have to liquidate their May wheat, unless they should ish to make or receive delivery.

The open interest is still extremely large. It amounted ast Saturday to 15,806,000 bu, which compares with only 910,000 u corresponding day last May. This, in spite of the fact that laims could have been made in 1935 for an apparent scarcity, same s this year, as total supplies were not very much different. Even hicago stocks do not vary much, amounting to 3,554,000 bu now compared with 4,110,000 bu a year ago. In fact, the possibilities are hat before the end of the month stocks here will exceed those of ast season. There have been about 1,250,000 bu shipped to Chicago o fill contracts, and more is likely to come. 50,000 bu were worked oday, and naturally as long as the premium over July exists, a great any hedgers will prefer to fill their contracts rather than change ver at a big discount.

There have been no deliveries as yet, but this is not due to ny desire to hold off, but it takes quite a little time for cars rriving here to be switched to the proper elevators. At least as ar as the hard wheat is concerned, there seems to be but little oubt that during this week tenders will be made as quickly as the heat is in a position for this to be accomplished. We are inclined o believe, unless there is a narrowing in the difference between May nd July wheat, that later on the red wheat will be delivered at the revailing premium.

Total stocks in Chicago may easily reach 4 1/2 million bu. if he temptation is great enough to continue shipments here from other erminals. From this, however, should be deducted about 500,000 bu f feed wheat, which is not good enough for contracts.

(O V E R)

Both longs and shorts are very stubborn, and as neither party has been scared yet, owing to the small fluctuations, this situation may change radically should there be either a quick decline or upturn. We are rather inclined to think that eventually the longs will have to give way, as very few of them wish to be in the position where they would have to pay for the actual wheat and then have to merchandise it in June, as no trades in the pit can take place after tomorrow a week, the 26th.

Primary receipts were pretty fair --674,000 bu, but they are being swelled through shipments from other terminals. The visible supply shows a decrease of 3,080,000 bu, this week compared with 2,835,000 bu a year ago; and the total quantity at terminal points is very much the same as it was then: namely, 31,649,000 bu versus 32,337,000 bu.

About 15 minutes before the close the news was flashed that the Government had lost its suit in the Guffey case before the Supreme Court. Stocks advanced sharply immediately, and we think it also had some effect on grain sympathetically.

Corn receipts were extremely light for a Monday, primaries being only 545,000 bu against 875,000 bu last week. The undertone of this cereal remains strong.

Trade in oats was very light, mostly changing of the variou futures; rye keeps independently strong.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 19, 1936.

Wheat cables were very weak again today, and Liverpool futures elined from 5/8 to 1 3/4¢ per bu. In fact July and October wheat tLiverpool touched new lows for the season; their July future being but 3¢ per bu higher than ours. It is difficult to account for hs great pessimism abroad, as some of the bigger countries do not mmise exceptional yields. Italy, for instance, looks for an outturn mller than last year; Spain reports wheat prospects as very poor vr a large part of the country, and France anticipates only a derate-sized crop, in spite of improved conditions. Germany seems obe satisfied with the outlook so far, and furthermore that country a practically ceased being an importer on account of financial reaos. In England, prospects are good, but, of course, their crop is osmall that it never cuts much of a figure. Perhaps the far-seeing nlishman takes cognizance of the fact that Argentina probably will ae a large acreage with favorable seeding conditions, and that she a become a very important factor again as an exporter after the un of the year. Also the Balkan states in general, and Hungary, re a bumper crop is expected, will have to find an outlet for their upluses. Therefore, many countries will compete for their share n the requirements of importing nations.

Here, the weather overnight was again quite satisfactory. Rains el in abundance in the dry sections of the Texas Panhandle, exeding well into the Okla homa Panhandle. While deterioration there a have been so great already that only moderate benefits may be elized, yet it was a blessing for those farmers whose crops still ae a possibility. There were also fair showers in the Ohio valley; ih pretty near normal temperatures everywhere. The prediction is lo favorable inasmuch as showers are indicated for Montana tonight, r probably for some portions of the Dakotas on Wednesday. Careful rders are just commencing to become a little nervous about the ping wheat situation, on the assumption that while conditions are l right up to date further precipitation is needed within a week oobtain the best results; this particularly so if warmer weather huld set in. Therefore rains in the Dakotas would relieve the iuation considerably.

Trade was rather light today, but there was more liquidation in h May future than for some time. This is quite natural, as the pn interest last night amounted to 15,536,000 bu, and lots of evening pwill have to be done on or before the 26th of May to liquidate hse engagements.

There were 35,000 bu more wheat worked today for Chicago; the oal amount recently sold to come to this market is about 1,500,000 u the greatest portion of which, no doubt, will be delivered on May ctracts. How much more of the red wheat will be delivered will deed very largely upon the differences which will prevail between the a and July wheat. Sales out of Chicago were heavier today --67,000 u but receipts in the city were 359,000 bu, with shipments of only 2000 bu --therefore, indicating a good increase in stocks here.

There have been no deliveries on May contracts so far this month, u there are quite a few cars in this city now to be unloaded, and ewould not be surprised to see the first tenders tomorrow. After nt we expect a steady stream, and do not think that we will have to nge our opinion that the amount of wheat in Chicago elevators at h end of the month might be as much as 4 1/2 million bu, which ll either have to be sold during the month of June, or carried o the next crop to compete with new arrivals.

At the close May wheat showed a decline of 1 3/8¢ per bu comed with yesterday, and July 1/2¢ per bu.

Corn, oats and rye all closed moderately lower, mostly in symehy with wheat, as there was no special news which would affect hse cereals to any considerable extent.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 20, 1936.

Liverpool wheat cables were very weak again today, the nearby ures declining 5/8¢ per bu, while the October advanced only 1/8¢; is, therefore, still hovering around the recently low point ablished. This, in connection with favorable weather prediction e, gave us a rather weak opening, but pressure at no time was y great, and when Minneapolis, the great milling center, became y strong prices here advanced easily, the closing figures showing advance of 2 3/8¢ per bu for the May future and 1 1/8¢ for the y.

Scattered showers have fallen the past 24 hours over Montana South Dakota, while over the rest of the wheat belt mostly fair ther prevails. Temperatures are also very satisfactory, generally ow normal; and, of course, cool weather at this time is very irable and should produce about the best results. There was a le concern about the spring wheat territory, particularly North ota needing rains, although some good authorities claim there will no real suffering provided rains come during this month. In the ntime showers and thunderstorms are indicated for the Northwest ight and Thursday. If they should be realized, there would be no ry in connection with wheat crops in this country at the present e.

Nevertheless great strength developed at various times at neapolis, which induced quite a few traders to cover regardless other conditions. The fact that there are no hedging sales for purchases and that some hedges are being removed right along, the visible supply decreasing, makes it very easy at times to st prices. This, of course, will change when there is a liberal ement again and when we can count on new arrivals.

Primary receipts are very large --629,000 bu compared with 262,000 last week, but there are a great many duplications, part his wheat coming from other points, particularly from Kansas City. ago receipts were 237,000 bu and shipments 40,000 bu.

Stocks at Kansas City, Duluth and Minneapolis decreased so far s week 846,000 bu. First tenders were made today on May contracts 10,000 bu, and more will follow right along. However they made mpression whatsoever on the market. On the contrary, as May wheat not decline, shorts became scared, heavy covering took place, and future closed with very pronounced strength. The fact that all trading in May wheat ceases at the expiration of the next five ness days, of course, makes the time very short for those who not be able to make actual deliveries and will have to close r engagements.

We still figure that close to 1 1/2 million bu of hard wheat finally be delivered on contracts, and a certain quantity of wheat which will depend largely upon the change in prices between and the end of the month.

Coarse grains did not share in either the activity or in the tuations sympathetically with wheat. May oats, in fact, closed he lowest price of the season. Corn was only a trifle higher the day, and rye also showed but small changes.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 21, 1936.

Liverpool cables were extraordinarily weak, futures there de- ining from 3/8 to 1 1/8¢ per bu, while our market yesterday ad- aced very sharply. At the present time their July wheat is prac- ially the same price as ours, only a trifle higher; therefore any ughts of export business when our new crop commences to move is u of the question, unless everything by that time changes very erially.

The market effect here was only of short duration. There was a erate decline early, which was quickly recovered, and at one time ures had advanced 1 7/8¢ per bu over the low point before a re- ion took place. This action of the market is quite unusual, and only to be explained by the fact that we are influenced just now other conditions outside of the European situation.

At the moment big premiums are being paid for the old wheat, the May future, and this,as well as the crop prospect,is the inating feature. The latter could not have been the influence ay, as the winter wheat crop is getting along nicely, and while ther some apprehension regarding moisture in the Northwest, there one-quarter of an inch of rain in some places in North Dakota, showers are predicted overnight. We ourselves would have con- ered the weather map as reasonably satisfactory, and while fears ays exist until the wheat crop is actually harvested, prospects the present time are quite satisfactory. In fact some views are te optimistic in regard to the largest state, Kansas, where sibilities of a crop of 130 to 140 million bu are considered as te possible, provided there will be timely rains and no particular- bad weather such as extreme heat, etc. When one considers that te last year raised only about 60 million bu, it is easy to con- ve that more pressure will result this season when the wheat ne moves in Kansas, and also Nebraska where conditions are also xremely favorable.

The strength today, therefore, must be attributed mostly to the vousness which still exists regarding the final outcome of the May at engagements. The open interest last night amounted to 3821,000 bu, and including today there are only five days remaining shorts and hedgers to make their purchases in the pit to fill ir engagements. The longs also have only an equal time to close their trades,or be prepared to pay for the cash wheat which may delivered until the end of the month. The question necessarily rses: What would their prospects be of advantageously marketing afterwards? Considering that today's sales of all kinds of wheat of Chicago were only 30,000 bu, and that as a general rule the de- d for wheat in June is smaller tha n in May, it would appear to us if only moderate qua ntities could be sold out of Chicago to con- ers during the next thirty or forty days. It is quite natural nt no miller will pay a premium of, say about 10¢ per bu for wheat, xept for most urgent needs, when he thinks there is a possibility buy this same kind in July, when the new wheat starts to move at July price. There was 120,000 bu more wheat sold to go to store ay, and we anticipate further shipments from other terminal markets ht along. Tenders on contracts today amounted to 185,000 bu.

Receipts in Chicago were 87,000 bu and shipments amounted to 000 bu, but yet we believe that after all the wheat which has been ked to come to Chicago has been unloaded we might have a stock e of approximately 4 1/2 million bu or more.

Primary receipts are moderate at 368,000 bu, while stocks at sas City, Duluth and Minneapolis show a decrease of 974,000 bu. decrease at Kansas City alone amounted to 509,000 bu, which stitutes largely shipments to Chicago and will appear in our cks here when unloaded.

(OVER)

All our reports from Canada are very favorable at the present time; moisture conditions are good, and prospects are for at least average crop, or possibly better, unless later on extreme drought other damage should occur which cannot be foreseen now. We believe it will be more difficult next year to dispose of large quantities abroad; competition will come from the Balkan states, where the o look is very propitious, and also possibly from the Argentine afte January when their next season starts. The great trouble at the sent time still is the fact that non-European countries are taking such small quantities of wheat, their imports being 33 million bu than a year ago. Europe is also buying only sparingly, and so fa has purchased a quantity of 14 million bu less than in 1935. It i also to be surmised that the United States will be, at least, self sustaining, and will not be an importer as during the last 11 mont

At the close the July future showed a decline of 3/8¢ per bu, and the May 1/4¢ compared with yesterday.

Corn showed a rather weak tendency, except for the May delive Stocks here are extremely small, and as in wheat, there seems to b somewhat of a congestion.

Oats fluctuated but little, and are selling at about the lowe prices for the season.

Interest in rye is very limited.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
WRK PRODUCE EXCHANGE
EWYORK COCOA EXCHANGE
YRK COFFEE AND SUGAR EX.
COMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 22, 1936.

Cables again showed great weakness today, all Liverpool futures
eching new low levels, with closing prices 1 1/8 to 1 1/4¢ per bu
oer than yesterday. By way of comparison their July wheat is now
uh the same as ours, closing today at 85 3/4¢. This, despite small
utralian shipments, amounting to only 1,875,000 bu compared with
,60,000 bu last year.

Broomha ll reports more favorable weather conditions and improve-
et in crops over most parts of western Europe. This may have had
ething to do with the weaker feeling, but in the main, we attribute
to the still large stocks of wheat which are available in Canada.
s of May 20 there was supposed to be in all positions, including
amers' hands, about 206 million bu, with eleven weeks to go to
uust 1 when their new crop season starts. Figuring the maximum ex-
ts during this period of, say 6 million bu a week, a total of 66
ilion bu, there would still remain 140 million bu, with another crop
nsight, which, under favorable conditions, might produce a great
el more tha n last season.

In ordinary times such an unsatisfactory outlook for export busi-
es to Europe would have been quite a market factor here, but just
tpresent everything seems to be ignored except strictly domestic
oditions. The fact that so far the shorts have been more disturbed
n the longs, as far as May deliveries are concerned, had a great
tengthening effect on the more deferred futures. However wheat
pments to this city continue to come in on a fairly large scale,
eeipts being 170,000 bu and shipments only 24,000 bu. As a general
e the best buyers are scared shorts, and it is our opinion that
s is what keeps up the strength in May wheat at the moment.

We doubt very much after hedgers and shorts have covered their
nagements, whether equally good prices can be obtained from con-
uers for the wheat which will accumulate here in the meantime.
re were 130,000 bu more wheat worked for Chicago today, and 278,000
were tendered on contracts. It is our guess that so far about
,50,000 bu of hard wheat have been contracted to come here, and
nk that finally by far the larger share will land with people out-
ie the grain trade. We feel that the elevator men themselves will
rfer to buy new wheat within a month or so on basis of the July
nat; therefore making the cost a great deal less.

Primary receipts today were 444,000 bu compared with 438,000 bu
at week. Stocks at Kansas City, Duluth and Minneapolis so far this
ek decreased 1,367,000 bu, but as an offset, undoubtedly, Chicago
tcks will show a big increase. Nevertheless we would not be sur-
rsed to see stocks at primary points decrease more this week than
at year same period, when the visible supply showed a reduction of
,96,000 bu.

The open trades in May wheat last night were still almost 13
ilion bu, with only four more business days left in which to make
chases or sales of May wheat in the pit. Afterwards all transac-
ins may be closed out through cash deliveries.

Trade today was extremely quiet, and fluctuations rather narrow,
there was a strong undertone, and at the close May wheat was
¢ per bu higher, and July 3/8¢.

The weather map possibly was a little disappointing, as the
cipitation which was expected in North Dakota did not materialize.
r weather is expected there now, but in Minnesota there may possibly
some light showers. Also there are possibilities of moisture in
Southwest, which would be very favorable. Well-posted people
the grain trade are quite optimistic about wheat yield results in
h Kansas and Nebraska, provided average weather and occasional
nfalls continue until harvest time.

Corn showed great weakness today. Trade in oats was indifferent,
prices are so low already that it is not likely they will decline
h further. Fluctuations in rye were very narrow, with little
erest existing.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO , May 23, 1936

iverpool cables were a trifle higher today, but very little at- n was paid to them, as other news affecting the wheat market was h greater importance.

hey had quite general showers during the past twenty-four hours th Dakota, Minnesota, Nebraska, Kansas and the Texas Panhandle, l as in Iowa and Missouri, which were also favored with precipi- . The long-time prediction is also quite favorable, as showers Northwest are expected on Tuesday or Wednesday, and generally eather is to follow the end of the week, although it may be a warmer first. The weather conditions are not altogether perfect, e rains would be very desirable in North Dakota, which seems to een largely missed; but in the meantime Minnesota has a very fair of moisture at the present time and there is no immediate danger e crop as a whole in the spring wheat territory, provided there e some rains within a week or so. In the winter wheat belt some very important states, such as Kansas, Nebraska and Missouri, are ing exceedingly well. Texas reports that the outlook has greatly ved since a month ago, although lots of territory in the Panhandle o far gone to benefit from the improved weather conditions.

he large part of trade is still in the May future now, which ex- next Tuesday, May 26, although deliveries may be made after that Open trades last night were still 12 million bu, and assuming hey have been reduced 1 million bu today, and that possibly 2 on bu might be delivered and re-delivered, it would still leave lion bu to liquidate the last two business days. Of course, it ssible, and in fact, likely, that not all trades will be closed 26th, as the seller has the privilege of filling his contracts the last of the month with cash deliveries. Undoubtedly also a number of track deliveries will be made, unless in the mean- he premium for the old wheat over the new will decrease. The in May wheat was on a moderate scale, with prices tending lower, here seems to be more nervousness on part of the longs; the shorts lso willing not to take too much of a chance, the time being so ed before they are compelled to fill their contracts. We are of the belief that the old wheat is selling comparatively too and when the most urgent shorts and hedgers are once out of the the cash wheat, which has been and will be delivered, will be ing on the market, and we doubt very much whether it will sell ere near such a premium over July as it is now after trading in it ceases.

hicago receipts today were 143,000 bu and shipments 49,000 bu. e week receipts were 1,189,000 bu and shipments 230,000 bu; fore indicating a large increase in the visible stocks in this We do not think we will have to change our oft-expressed opinion probably at the end of the month stocks here are likely to be million bu or more, and that the long-advertised apparent ity was a myth and not a fact.

Primary receipts were 504,000 bu compared with 378,000 bu a week Stocks at Kansas City, Duluth and Minneapolis show a decrease of ,000 bu, and we look for a very fair-sized decrease in the visi- upply on Monday.

At the close May wheat showed a decline of 1 3/4¢ per bushel and ¾¢ per bushel compared with yesterday.

orn was weaker and commences to be influenced by the apparent start of the new plant. The crop outlook, of course, will grad- be the dominant factor.

Oats reached new low prices for some of the further deferred fu- . Rye continues to be neglected, declining somewhat in sympathy wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
K PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

May 25, 1936

Cables today showed another sharp decline of 1 1/8 to 1 1/2¢
bushel. Winnipeg market was closed; but with Liverpool July
t selling below ours, the foreign situation now appears to be hope-
, assuming that the combined winter and spring wheat crops here
be large enough to necessitate our becoming exporters. The
on for the continued weakness abroad can only be explained through
abnormally low consumption of the European countries. World ship-
s were only 10,328,000 bushels compared to 15,515,000 in 1935.
ar European and non-European countries have taken 58 million
els less than last season. The total for almost eleven months
robably the lowest in over twenty-five years.

The weather here during the last forty-eight hours was per-
over all the Southwest. Rains were very general in Missouri,
as, Oklahoma and Texas, and the crops in these states undoubted-
ill show great improvement. Some are already making extra-
narily high estimates for Kansas. There was also moderate pre-
tation in some places of Nebraska; but the Northwestern states
not have any relief. This is not serious as yet, but the trade
be apprehensive until the spring wheat states receive additional
ture.

Conditions generally were construed as being rather bearish,
there were no sharp declines at any time. At the close there
an advance of 2¢ for May and 1/4¢ for July wheat.

Under these conditions, the great strength can be attributed
to the extraordinary situation in the May future which is quite
ual and baffles some of the oldest traders. The open interest
Saturday was 11,161,000 bushels, all of which will have to be
uidated before tomorrow night except that amount which will be
ed-up through deliveries. Tenders today were larger than had
expected - 893,000 bushels - but made no impression whatsoever.
r the fact became known, the market advanced. There were 75,000
els more wheat sold to come to Chicago, and about 260,000 bushels
heat were sold to go to store, all of which shows that finally
veries will be quite extensive. It remains a wonder who will be
ing to finally pay for same, in view of the favorable crop pros-
s and the premium existing over the July future. It is now
ised that there might possibly be a fairly large concentrated
rest by one party, but it seems it is not sufficiently large to
lly produce and maintain the congestion which is existing at the
nt. At tomorrow's close all trading in May wheat ceases, and
he market is not permitted to either advance or decline more than
nts per bushel, there is a possibility that these limits, on
er side, might be reached early in the session and no further
saction could take place. This possibility evidently scared
shorts considerably, and while there was a reasonable amount of
idation going on right along, the amount offered was at no time
e enough to overcome the anxiety of those who were anxious to
-up their contracts which they could not fill with actual wheat.

Primary receipts were fair at 824,000 bushels, but this
nt includes lots of duplications, as much wheat is coming from
r terminal points to Chicago. The visible supply showed a de-
se of 1,915,000 bushels which compares with 1,396,000 last year,
the total is now 29,734,000 bushels or 1,207,000 bushels less
it was in 1935. However, Chicago stocks showed a very large
ease, amounting to 1,013,000 bushels, and the total here is now
7,000 bushels. It now looks as though - when all wheat that is
ng to Chicago is unloaded - there will be on July 1st a stock
heat equal 5 million bushels. If so, this will remain a burden
for some time and probably will bring about a carrying charge
July to September and later from September to December.

Corn showed great strength all during the session. Oats
hed new low points. Rye closed a trifle higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HAGO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

May 26, 1936

Today ends trading in May wheat. Not all contracts are yet closed
he sellers have until the end of the month to make delivery, and
we expect that possibly there might be some track deliveries on
last day. In the meantime there will be tenders every day for
t as fast as it is unloaded, and also some re-deliveries on part
hose who have paid for it and sold it in the meantime.

First trades in May wheat were made on October 1, 1935. The mar-
opened at $1.00 1/4 and closed that day at $1.02. July wheat at
time closed at 92 1/2¢; therefore there was a spread of 9 1/2¢ com-
d with a difference during the largest part of today's session of
t 10¢ or over, but finally closing at 6 1/2¢.

It is interesting to reason why this big premium for the old
t over the new existed during these eight months. The trade in
ral felt that after three years of drought and a great reduction in
ks, there might be developing a great shortage in the old wheat,
e with the very large acreage planted in new wheat, with ordinary
her conditions it might become very plentiful later on. This par-
larly so as the outlook for export was never very promising, and
efore, even a moderate crop might be more than sufficient for all
stic needs. However, as the season progressed it became more and
apparent that the consumers had much the same idea as the specu-
rs, and feeling that wheat might become very plentiful when the
crop moves in July, reduced their stocks very largely- purchasing
from hand to mouth, and as a consequence the tail end of the crop
ed to be rather burdensome and large quantities of wheat were
ped from other markets to Chicago to take advantage of the big pre-
existing to fill May contracts. Ordinarily with these heavy re-
its here a great narrowing between May and July wheat would have taken
e, but it seems the longs have been extremely stubborn and evident-
aving paid no attention to the great change in conditions which
taken place, continued to pay for the wheat as it was tendered
ay contracts and they now hold it. It seems to us they largely
stayed their market.

As a rule shorts are the best buyers, but they will no longer be
tent after today. In our opinion at least three million bu of
t will have to be marketed and unless this can be done very quick-
storage, interest and insurance will accrue in the meantime;
lly whatever is left over in July will have to compete with new re-
ts, and instead of the wheat being worth 10¢ over July, as it was
y during the session, it may have to be sold at or very little
e the July price.

In the meantime the Chicago Board of Trade had furnished the most
rate information during the whole period. Everybody was fully ad-
d of what was going on from day to day. There was no secret about
tremendous shipments from other terminal markets to Chicago, and
e who have not taken advantage of it have no one but themselves to
e.

No attention was paid to statistics today. Primary receipts were
000 bu compared with 647,000 bu last week. Stocks at Kansas City,
th and Minneapolis so far this week show a decrease of 202,000 bu.

There is hardly a message coming from the Southwest which does
report great improvement in the crop prospects, and as long as
e are no setbacks we think markets will decline still further. We
this on the extremely weak world situation. Cables were very
today, Liverpool futures closing at a decline of 5/8 to 3/4¢
bushel. Despite our decline today, Liverpool July wheat is still
r than ours. This is an unnatural situation, on the assumption
we shall be on an export basis the coming season.

All futures on corn were weaker in sympathy with wheat, except
which showed an advance, shorts having been compelled to cover
ccount of not being able to bring in enough corn in time to deliver

Oats and rye were both lower in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO, May 27, 1936

Cables were again very weak and Liverpool wheat futures showed
ecline of 3/8 to 7/8¢ from yesterday, and all their futures are now
eling below ours, but for one reason or another this was ignored to-
al. Even Winnipeg was quite strong, possibly influenced more by warm
n dry weather conditions which they are experiencing at the present
ie. However, so far the outlook for Canada is still very good.
ope may possibly be influenced by the better crop outlook in Russia
n it is quite likely that this year exports from that country and
h Balkan states will be very much larger than during the past season.
uld this be the case it would be very important to the European
rce level, in view of the greatly reduced general world's consumption.

France does not look for a big crop this season, even with favora-
l conditions from now on. On the other hand it is claimed that the
ary-over will be larger than anticipated. In addition millers who
orted high grade protein wheat from Canada are compelled to re-ex-
ot the same quantity of flour and bran; so we can hardly figure that
nce will be much of an importer this coming season, as the desire
bably will continue to be self-sustaining. England is the only
ntry remaining where despite greater home production importations
ep up at virtually the same rate as during the last ten years; and
n now accepts a tremendous percentage of the total wheat importations
f all European and non-European countries. Up to May 10, England had
orted in wheat and flour a quantity equal to about 164 million bu
pared with total takings of all other countries of 228 million bu,
r about 42 per cent of the combined total of 392 million. Unfortunate-
y England now imposes a duty of about 6¢ a bushel on United States
at, while there is none on wheat or flour coming from her own colo-
is. Therefore we shall remain at a great disadvantage on say 42 per
t of the total export business. When it is considered that Winnipeg
y wheat is selling 9 1/2¢ lower than ours, and that their wheat as
ule is better than ours and brings higher prices in competitive mar-
s, the outlook for export at the present time, should we have a
able surplus, is not very encouraging.

Trade here was considerably lighter today since the sharp
ctuations in May wheat which had prevailed for some time were no
ger an influence and more attention was being paid to the crop out-
k in the Northwest. There are very few complaints as yet, but the
de is very apprehensive, should we have a prolonged period of hot
ther without moisture. The rainfall since April 1 up to date has
n considerably below normal, but as the seedbed was quite favorable,
ing benefited from winter moisture, there is no immediate danger of
plant suffering. Anyhow it is very early as yet to anticipate
h damage, but many and timely rains will be needed during the next
ty days to bring about the best results.

As far as the Southwest Crop is concerned, opinions are almost
nimous that the prospects for the biggest wheat state, viz., Kan-
s, are excellent at the present time, and with favorable weather
m now on 130 to 150 million bu could easily be produced. Consider-
g that this state last year produced only 60 million bu, there will
an entirely different picture in the Southwest when wheat once
rts to move.

The open trade in May wheat was given by the Grain Futures Ad-
istration as 3,444,000 bu last night, but we figure that in the
ntime 2,549,000 bu have been delivered. This would leave only 895,000
to be liquidated by deliveries. In the interim some wheat has been
nging hands at about 3 to 4 1/2¢ over July, but the purchases might
ssibly have been for shorts who had not covered their engagements in
pit; and it will take another day or two to find out just what pre-
ums buyers will pay for the warehouse receipts which are circulating
w.

Trade was on a much smaller scale and fluctuations very narrow.
the close there was a decline of 1/4¢ per bushel compared with yes-
rday.

(OVER)

Primary receipts were light, 410,000 bu versus 629,000 bu la
week. Stocks at Kansas City, Duluth and Minneapolis show a decreas
so far for the week of 563,000 bu.

December wheat was quoted for the first time today, and tradi
about 1 7/8 to 2¢ over September. It is our opinion that this year
we shall accumulate stocks right along until the close of navigatic
If this is the case there should be good carrying charges throughou
the year. We therefore favor selling July wheat and buying either
September of December, and selling September and buying December. e
think the differences will widen.

Corn continues to show great strength and it seems very diff-
cult to accumulate large stocks at terminal points. As long as thi
continues there is merit to this cereal.

Oats and rye continue to be neglected. With the new crop com
ing on the market, we think oats will be plentiful all during the
season. The rye crop is not likely to be a large one; stocks also
are not burdensome, and this cereal appears very cheap compared wit
wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO, May 28, 1936

Weather was again very favorable in the Southwest overnight. ere were more showers in Kansas, Oklahoma and Texas. Best-posted ople in the trade now anticipate a wheat crop in Kansas of possibly 5 million bu, 30 million bu for Oklahoma and 18 million for Texas. raska ought to have a very large crop and unless something unfore- en happens during the next month the Southwest will be able to fur- h lots of wheat to the milling trade and have plenty to spare to l up the almost empty elevators. As there is no longer much guess ok on that score, all eyes are now centered on the American North- t and the spring wheat crop in general, this including Canada.

Temperatures having been exceedingly high at some places in the ing wheat districts in the United States, as well as in Canada, rybody refreshed his memory as to what happened during the last ee drought years, when weather conditions were quite exceptional. the past we frequently have had precipitation from time to time dur- the month of June, and should this be repeated this year, no harm l have been done on account of a few hot days. As a matter of fact, official weather prediction for the Northwest is such that by to- row or Saturday we may look forward to some showers at least at ious places, with cooler temperatures.

Inasmuch, however, as both the Minneapolis and Winnipeg markets wed extreme strength and big advances compared with last night, atiousness on part of the local traders induced them to take the line least resistance and some short covering, as well as new investment ing, brought about quite a rally from the low quotations existing ly.

The Liverpool market showed further declines before our session ned - probably influenced by the news from Canada - there was quite ecovery, closing values being unchanged to 1/2¢ higher.

We feel, particularly as far as the Canadian situation is con- ned, there is no cause for alarm as yet, because even with a moder- sized crop that country could easily furnish all the needs of the orting countries without any difficulty. Even this past season h conditions most favorable for exports, Canada cleared from August o May 15, or in 9 1/2 months, only 176 million bu of wheat, of ch the United States took 30 million bu, leaving only 146 million for overseas. This would compare with about 125 million bu the vious season. Considering that both Argentina and Australia were s urgent competitors than in other seasons, the result must be con- ered as unsatisfactory and is due to low consumption in European non-European countries. This is not likely to be changed this com- year. Assuming that the exports from Canada during the remaining ven weeks should be 65 million bu, the total overseas shipments for crop year for Canada would be about 210 million bu, and with a home sumption of 110 million bu, it would require a crop of only 320 lion bu to supply all the needs without cutting into the pretty vy carry-over. A crop of this size we would consider with the pres- Canadian acreage as a rather small one, and the probabilities still ain that much more wheat will be harvested with anything like nor- conditions.

As far as our spring wheat is concerned, everything up to the esent time is reasonably favorable, but somewhat more than normal infall will be needed for the best final results.

The open interest in May wheat has been reduced now to 925,000 and until all contracts are filled tomorrow there is some extra de- nd for the warehouse receipts. Various elevator concerns are buying se to take delivery and try to retain the wheat in their own eleva- rs, which otherwise might be shipped out. Nevertheless the premium er July had declined to about 3 or 3 1/2¢ early with sales later at over, which is the lowest since trading in May wheat started, and firms our previously expressed opinion that the supply and demand tuation had not justified the extreme premiums which were realized the meantime. It is quite possible after all contracts are filled at the premium for the old wheat might entirely disappear, as it can- t possibly be all marketed during the month of June, and in the mean- ne somebody has to pay heavy storage, interest and insurance charges.

OVER)

Primary receipts were 554,000 bu. Stocks at Kansas City, Dul h and Minneapolis so far this week show a decrease of 967,000 bu, ind a ing another moderate decrease in the visible supply on Monday.

At the close the market showed an advance of 1/2¢ per bushel m pared with yesterday.

In all probability cables will be stronger tomorrow on accoun of the advance in Winnipeg, but our tomorrow's market will depend largely upon weather conditions in the Northwest and the outlook fo the future.

Corn and oats fluctuated very little, but so far the outlook r the new corn crop is quite promising. Rye continues to be reasonab strong, and we think with only a very moderate crop in sight that th s cereal is cheap enough and prices look low compared with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HI GO BOARD OF TRADE
RK PRODUCE EXCHANGE
WORK COCOA EXCHANGE
YC COFFEE AND SUGAR EX.
OMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO May 29, 1936

At the close of the session today all trades pertaining to old crop futures were evened up. Contract wheat sold today at about 1¢ over July or approximately 85 1/2¢, which price is the lowest on this crop.

It is well to review what has happened during the last 11 months, as it may be somewhat of a guide to what the future has in store for us, always making proper allowances for changes because no two years are ever alike. Ever since it was known that the combined winter and spring wheat crops would produce only 603,000,000 bu, which is much less than our normal home consumption, a very high price level was anticipated. However, a combination of extremely poor quality wheat in the spring wheat territory, with tremendous premiums for the better grades, enabled us to import 30,000,000 bu of Canadian wheat, despite a duty of 42¢ per bu. Small as this quantity was, it was just sufficient to prevent reducing our carry over to an extremely low figure, and possibly made a difference of ten to twenty cents a bu in the price of domestic wheat. It certainly would have sold much higher had we depended entirely upon our own supplies. This quantity of 30,000,000 bu is actually the same as the total supply in our visible stocks last Monday. We think we are safe in assuming that this coming season we shall not be able to absorb any Canadian imports to any large extent. The spring wheat crop in 1935 was only 169,000,000 bu, so only the worst weather would duplicate such poor yields. Furthermore, the four states of Kansas, Nebraska, Oklahoma and Texas furnished only 139,000,000 bu of wheat last year, while this year there may be 95,000,000 bu more. The thought has occurred to us that if such a small quantity as 30,000,000 bu of extra supplies had so much effect upon the price level, what will occur this season if, instead of raising 603,000,000 bu, we might raise 725 to 750,000,000 bu of wheat. We are fully aware that it is too early to assume that top figures will be reached, although we think that at the present time this is not only a possibility but even a great probability.

Today's market was largely influenced by the great strength at Liverpool and the continued dry weather in our Northwest and Canada. Liverpool futures closed 1 7/8 to 2 1/8¢ per bu higher, but they also reflected the conditions in North America and naturally foreigners are very apprehensive as long as they are so largely dependent upon Canada for their needs. Argentina since the 1st of January exported only 22,758,000 bu of wheat compared with 84,825,000 bu a year ago, or 62,000,000 bu less, shows the importance of Canada in the export business, as there is no other country that could have made up this deficiency.

The weather, however, in the spring wheat territory is temporarily the most important factor. Nobody claims any actual damage so far, and when we consider that last year the total spring wheat crop was only 169,000,000 bu, it is almost a certainty that it will be larger this year. The official forecast holds out some hope for precipitation over the holidays, but they may be confined to light showers. The strongest markets again today were Winnipeg and Minneapolis, which are the closest to the scene where damage might occur. The winter wheat crop is improving right along and shows great pregress, wherever damage before the rains was not so bad that it could not be repaired.

Primary receipts today were 445,000 bu. Stocks at Kansas City, Duluth, and Minneapolis show a decrease of 1,511,000 bu, indicating a good-sized decrease in the visible supply on Monday. Last year the decrease was comparatively small, only 1,146,000 bu.

Trade in corn, oats and rye continues to be very limited. Yesterday's volume for all futures in corn was a little less than 3,000,000 bu; in oats 604,000 bu, and in rye 201,000 bu. Under these circumstances naturally one cannot expect many fluctuations. But just before the close there seemed to be an urgent demand for July oats, which closed 1¢ a bu higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NE YORK COCOA EXCHANGE
W RK COFFEE AND SUGAR EX.
C MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 1, 1936.

Europe enjoyed a holiday today and there were no markets, Lverpool being closed. However Broomhall cabled the world's exports o wheat and flour for the week, which were again extremely small, oly 8,287,000 bu compared with 11,393,000 bu similar week in 1935. is brings world shipments for the eleven months up to 420 million o vs. 481,million bu in 1935, or 61 million bu less.

Assuming that the requirements for the next four weeks will b about 40 million bu, total importations of all European and non-Eropean countries then would amount to only 460 million bu, which pobably is the smallest quantity purchased during the last twenty-fve years. Should the demand not be any better during the next sason the outlook for world's wheat prices certainly would not be ecouraging.

In ordinary years Argentina and Australia have an exportable srplus of 250 million bu; the Balkan states and sundry countries culd easily furnish 75 million bu, or a total of 325 million bu. Boomhall estimates that Russia increased her winter wheat acreage ne per cent, and not hearing any complaints from that country, w have to figure that Russia might again be an exporter, but of curse it is much too early to estimate the amount which she might spply to importing nations.

Of course we are aware that Argentina and Australia have very lttle wheat left for the next six months of their old crop year, bt as Canada is carrying over large supplies, the deficiency of the Suthern Hemisphere probably will not be severely felt, particularly i later on it will become a probability or a certainty that after Jnuary clearances will again become heavy. In any case it appears t us, on the assumption that Canada will raise a normal crop, as i supplies would very largely exceed the needs. Nevertheless until cops are actually harvested, particularly in view of the damage which tok place the last three years after this period, the weather in Cnada and the United States will continue to be closely watched.

Today's weather reports were more or less a standoff. There ws fair precipitation in Alberta but the other provinces had little misture; much cooler temperatures are indicated.

In the United States there were some showers in both Minnesota ad South Dakota, but North Dakota was mostly missed, and as this is te state which will need rains more than the others, having the lrgest acreage, the weather from now on will become very important i order to obtain the best results.

In the Southwest the crop has advanced sufficiently now so tat almost any kind of normal weather will produce a crop very much lrger than was indicated in the last government report. We believe tere have been improvements in practically every state in the South-wst, and we received a message today from a very reliable party at Illas as follows:

> "Many combines stated yesterday. One station south of Vernon has already taken in ten thousand bu new wheat. Harvest general Dallas, Sherman, Denison,Vernon territory. Expect 75 cars new wheat move this week. Yields running 12 to 25 bu and occasionally field red wheat north of Dallas running 35 bu, but think general average around 18 bu. Quality fine, 59 to 62 pounds."

(over)

Of course not the whole state of Texas has been equally favored, bu should we receive 75 cars of new wheat the coming week, it would indicate that the crop is rather an early one; and gradually during t month the near approach of the movement is bound to have its effect on values. Therefore in summing up we see very little encouragemen for advancing prices in the European situation, nor in Canada where even a moderate crop would be sufficient for all purposes; but in t United States there is still a possibility in case of very adverse weather in the spring wheat states, that our price level might be k above the export basis, but even this we consider only as a possibi and not as a likelihood.

The wheat market reflected the feeling that not sufficient events had occurred over the holidays to change one's previously formed opinions and the fluctuations were extremely light. At the close the market showed a decline of 1/8¢ per bu.

Primary receipts were very fair at 630,000 bu compared to 474,000 bu a year ago. The visible supply showed a decrease of 1,290,000 bu, and is now 28,444,000 bu or 1,350,000 bu less than la season. However Chicago stocks showed an increase of 442,000 bu an are now 5,009,000 bu, while last year they were only 3,871,000 bu. This is very important as carrying charges very often depend upon t amount of wheat which is stored in Chicago, few being inclined to p storage, interest and insurance charges unless there are good prosp of the wheat being sold readily. Just at present the demand seems fair, sales of only 41,000 bu being reported from here. No.2 hard wheat in store sold as low as 1/2¢ per bu over the July future, indicating that prospects are not very favorable for reducing our sto to a large extent.

The oats visible supply decreased only 777,000 bu and is now 30,792,000 bu which is a very large quantity so close to the time w a new crop will be brought on the market. This amount compares wi only 10,493,000 bu last year. The market showed a small decline.

Corn receipts at all terminal points were very heavy, total receipts being 1,839,000 bu. The market appears to be somewhat ov bought now, and closed at a small recession.

Trade in rye continues to be indifferent; but in view of the fact that the crop is not a large one, we consider the price very reasonable and much cheaper than wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
NEWYORK PRODUCE EXCHANGE
N YORK COCOA EXCHANGE
EW ORK COFFEE AND SUGAR EX.
C MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 2, 1936.

Liverpool, which was closed both Saturday and Monday, sent sme very weak cables this morning, their futures declining from 2 to 21/8¢ per bu. This makes a new low record in a recent period.

Broomhall reports that eastern Australia was favored with good rins; and from our Mr. Richard Uhlmann, who just returned from London o the Queen Mary, we learn that the feeling abroad is demoralized, a they figure that Russia is bound to have an enormous crop this saeon. We have surmised this right along, but now have it confirmed. I is but natural that this should be so, as Russia had increased her wnter acreage about nine per cent, and she has had a succession of por crops, the same as we did, but this year there have been hardly ay complaints. Russia is by far the largest wheat grower of any cuntry in the world. Despite the fact that her population is inceasing very fast and that the per capita consumption is low there i plenty of room left for an increase, yet this may be one of the yars when she will have an exportable surplus. This will be particuarly annoying as the world has been getting along without Russia pactically since the close of the Dardanelles in 1914. The years when se did export were very few and then the quantities were mostly ngligible. This may be all the more important in case Canada should rise a normal crop or above, because she still has a large quantity ift from previous seasons, at least a moderate quantity over a year's ime consumption, so that practically every bushel which she will proice this season would be available for oversea shipments. It is not ikely that there will be a repetition of exportations to the United Sates, so she will also lose an important customer which existed dring the past season.

As far as the United States is concerned, it, therefore, becmes more and more evident that our surplus wheat will not be needed aroad and anybody who feels that a higher level of prices would be jstified must base his opinion entirely on domestic conditions in te United States. While it is never safe to count chickens before tey are hatched, and we all know that our crops may undergo consderable changes at this time of the year before they are harvested, bt when talking about the future, one always has to assume we shall hve normal weather conditions. With this in view the outlook for wnter wheat now is very promising. Our advices this morning from te Southwest are that the weather for filling is perfect, and we hve very often seen that good weather at this period increases the yelds from one to two bushels per acre. The private experts will gve us their estimates tomorrow, but as we ourselves are in very cose touch with the situation and receive reports from very reliable prties, we would rather assume than otherwise that the winter wheat pospects at the present time are for 525 million bu or more. This wuld be about 14 1/2 bu per acre on the acreage standing, compared wth 14 bu last year when we had nothing but bad weather after this priod.

As far as the spring wheat is concerned, rains are very desrable and necessary in North Dakota, and that state has by far the lrgest acreage of spring wheat. South Dakota and Minnesota are btter off. Timely rains will make a great difference. On the oher hand a succession of hot days without precipitation would be vry harmful. At the present time predictions do not indicate any iportant moisture, but the weather is cool and no great harm will b done provided later on we shall have normal moisture. Altogether i appears to us as if a combined crop of 725 to 750 million bu of wnter and spring wheat would not be an extravagant guess in view o the present outlook. This would give us an exportable surplus of 7 to 100 million bu, which if added to our carryover of about 140 mllion bu, would again give us very undesirable accumulations and

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might result in very much lower prices.

After a pronounced early weakness a complete reversal took place after mid-day when the ticker brought a very pessimistic report from a private source about the spring wheat crop in the North west. The market is so thin at the present time that moderate transactions bring about greater fluctuations tha n seem justified. Yesterday's total trade in wheat amounted to only a little over 9 million bu and the open interest was 65,523,000 bu last night. Thi of course, will all change completely in about three or four weeks when hedging sales will come on the market. Our former largest traders are virtually out of the market and the smaller ones are hampered on account of the heavy margins. Should we have a gradual increase of 50 to 75 million bu in our visible supply from the low point, which would be mostly hedged in this market, the picture would be entirely different and then if the lightness of the trade continues, prices might be depressed below their value. For the next three weeks, however, weather and crop reports from the Northwest will remain the dominating factor.

Primary receipts were moderate at 418,000 bu, and stocks at Kansas City, Duluth and Minneapolis so far this week decreased 182,000 bu. Chicago is selling quite a good deal of wheat every d but yet the amount of contract grades in public elevators is over 3,260,000 bu. As the time is so short until this old wheat comes into competition with the new, we do not think stocks will be anywh e near as depleted as the trade expected. We think we shall have a fair-sized carryover in this city on July 1st, and we look for a wider carrying charge all around.

At the close our market showed an advance of 3/8¢ per bu com pared with yesterday, although it reacted considerably from the hig point.

The corn market showed great indifference, and trade remains very light. Total transactions yesterday in this cereal were only 3,213,000 bu.

Oats continue to display weakness, and rye was somewhat higher, mostly in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
K PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 3, 1936.

Liverpool cables showed a strong undertone today, futures clos-
here 1 1/4 to 1 3/4¢ higher. Sterling exchange was also firmer,
acing to $5.02 for the pound. This illustrates that European
ary conditions are still very uncertain and it seems that capital
ot only fleeing to the United States, but frightened foreigners
lso buying the English currency in preference to keeping their
in the gold countries, such as France and Holland. The wheat
gth abroad was very largely in sympathy with higher prices in
the United States and Canada.

As far as we are concerned here, foreign markets have at the
t only a sentimental effect, as our price level is entirely on a
stic basis and it could not be kept up on the assumption that we
to export large quantities the coming season.

Weather continues to be ideal in the Southwest, and temperatures
uite satisfactory in the spring wheat territory, but we all know
vegetation needs moisture, which is still lacking, particularly
rth Dakota. The prediction for tomorrow is again for dry and
, but our weather man, who seldoms ventures to look ahead for
than twenty-four hours, is inclined to the opinion that by Friday
ibly there might be a change and that the outlook for precipitation
e Northwest then is more favorable.

The private experts varied a great deal in their estimates on
winter and spring wheat. The lowest estimate for the winter was
million bu; the highest 527 million; the average 501 million.
reports which we are receiving we are of the belief that the
est estimate will finally prove to be too low, and provided normal
itions exist from now on, we think it will be difficult to raise
nter wheat crop of less than 527 million bu. The spring wheat
estimates vary from 218 to 260 million bu, with an average of
million bu; but this early in the season so much might happen
for the present it remains more or less guesswork, except they
agree that the seeded acreage is very much larger than last year,
e to 22 million acres. An average yield of 11 bu would certainly
be high. With these figures, giving a combined crop outlook of
million bu, we would have an exportable surplus of about 90
ion bu, and in addition the same carryover as of July 1, 1936,
h is plenty. Should such yields be realized, it would indicate
iderably lower prices, as Europe has adjusted her acreages in such
y that she is no longer dependent on the United States and is not
ring on obtaining any supplies from her. Should they come,
rtheless, it would naturally depress their markets still further,
already being so much below ours the situation would be very
easant.

Primary receipts today were very light, 266,000 bu against
000 bu in 1935.

Fluctuations during the day were extremely light. At times our
et was influenced by the great strength at Winnipeg, but buying
r is very limited at the moment and it would require more sensa-
al news to bring about rapid advances or declines. At the close
t was practically unchanged.

Private reports on corn all agree on a much larger acreage and
tter condition than a year ago. The chief producing states have
splendid moisture now, and naturally the outlook is for a bigger
d than last year. Under these conditions the price appears rea-
bly high, but, of course, it is to be assumed that animals will
eplenished here, and that gradually a greater amount of feeding
take place.

The oats crop promises to be heavy, and as there will also be a
e carryover we see nothing but low prices and continued good
ying charges.

The rye crop will be smaller than the previous year, and the
e seems very low compared with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 4, 1936.

Sterling exchange showed greater strength today, the pound ad- acing to $5.03 compared with the pre-war parity of about $4.86. s is caused by the many internal dissensions in France, bringing ut a flight of capital and creating great uneasiness all over the ld regarding the monetary outlook. It has already brought about ise in interest rates in Holland from 3 1/2 to 4 1/2 per cent. aluation of the French franc is getting nearer, although it may be ayed for some time.

All fluctuations in exchanges necessarily affect prices in eign monies and Liverpool wheat cables were influenced by that, also by the great strength in Winnipeg yesterday, with closing ces 3/4 to 1 1/8¢ per bushel higher compared with the previous day. y undoubtedly were also advised that there was no further pre- itation in Canada, and with the outlook for continued dry weather both our spring wheat territory and in Canada, no immediate sharp lines in our wheat market are in sight. Otherwise we believe that rapid maturing of the winter wheat crop under favorable conditions ht have had the opposite effect. But as long as uncertainties st as to the final outcome of the spring wheat crops in North rica, this will remain the dominating factor. Inasmuch as the tinued dryness is an abnormal condition and might easily be changed, same as occurred in the Southwest, it is well to bear in mind what spects for wheat values finally would be, should we have just nor- weather from now on and rains from time to time during the month June.

The winter wheat crop as estimated by the various crop experts terday averaged 501 million bu. This compares with final crops of last four years as follows:

1932 - 478,291,000 bu
1933 - 350,792,000
1934 - 405,552,000
1935 - 433,447,000

vious to that yields were very much higher, but it must be con- lered that then we were called upon for large exports each year. fact this is the first season since we were out of the export busi- s when we have a reasonably large winter wheat crop. Consider- our consumption of about 650 million bu, the spring wheat crop ht decline to 150 million bu, from about 240 million bu now es- ated, to supply our home needs; and then with the same carryover we have now a price level of 90¢ to $1.00 would be fully justified. ever as the planted spring wheat acreage is 22 million acres, to duce yields to such a low figure as 150 million bu, the per acre ld would have to decline to 7 bushels, which would be a tremendous lure. There is nothing in sight as yet to indicate that fears of h a disaster will be realized. It is very plain, however, that eat uncerta inties will prevail until the spring wheat plant is ther advanced.

As far as Canada is concerned, her visible supply stocks on 29 in various positions, with stocks in farmers' hands and in nsit by rail not included, were 158 million bu versus 200 million last year similar period, or 42 million bu less. Had it not been the large exportations to the United States, stocks would have reased by only very small amounts. We, therefore, take it for nted that as long as European adjustments have been made in such a that the importing world can manage with very moderate quantities importations, it will not be necessary for Canada to raise a very able quantity, and yet she will be able to meet all calls to be le upon her. This particularly so as it is more than probable now that sia will become a moderate to large exporter this season; also entina , which country had a crop failure last season, is again

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likely to enter the export column on a large scale after next Janua
At the moment her crop prospects are quite favorable.

While our deferred futures at the present time are selling at premiums over July, the contrary is the case in Liverpool, they evidently assuming that supplies later on will be more plentiful th they are now. While their July future is higher than ours, their December wheat is considerably below Chicago, all of which indicate that prospects for an active export business are very poor, unless for one reason or another the whole picture should change.

Primary receipts of wheat are becoming very light, today being only 212,000 bu, but shipments are very much heavier --464,000 bu. Cash wheat is comparatively very strong, and red wheat particularly is bringing big premiums. Chicago received only 8,000 bu of wheat and shipped out 99,000 bu, but yet we believe that with the large stocks which are in store here only a comparatively small percentage can be sold before the new crop comes into competition. So far this week stocks at Kansas City, Duluth and Minneapolis show a decrease 575,000 bu.

Our market all during the day was led by the strength at Minneapolis and Winnipeg, which markets reflect anxiety about the spring wheat crop. Our close was 1¢ per bu higher for the July fut and 1 1/2¢ for the September.

All the other cereals were sympathetically affected, and showe moderate advances over the previous day's final figures.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
) BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 5, 1936.

When our session opened there had been no reports of rain the drouth continues in the spring wheat territory of Canada the United States. Liverpool undoubtedly had already had s information, and their market opened somewhat higher than it closed yesterday. Nevertheless, after a short spurt wheat wed more or less weakness here, undoubtedly influence d by the t glowing reports from the Southwest. The weather there is olutely ideal --the best one could wish for to obtain the best ults, and we have not the least doubt in our minds that all vious estimates as to yields for Kansas, Nebraska, Missouri and sibly also for Oklahoma and Texas will have to be raised.

The assumption that the winter wheat crop is practically made and that the present doubtful outlook in the spring wheat terri- y might rapidly change with a few good rains, makes traders very itant. This particularly so as there seems to be a lack of erest and buying power, as far as wheat is concerned; and it seems us that only actual great damage in the spring wheat territory, not only fear that this might come, will bring in new buyers higher prices.

The French political and financial situation is getting worse anything, and French francs for 90-day delivery are selling at in- asingly larger discounts.

Europe does not seem to be burdened with large importations, on the other hand consumption seems to be so small that millers consumers are not much worried about it.

Argentina cleared only 1,456,000 bu compared with 3,353,000 bu t year: Australia 1,526,000 bu versus 1,194,000 bu last year, but pared with 1,780,000 bu last week. Therefore, unless Canada should e forward with very heavy shipments, importations to all European non-European countries will again be very small. Canada is still posed to have available for export and carryover as of May 30th, ,880,000 bu. This, of course, includes everything, even supposed cks still left in farmers hands. Inasmuch as there are 9 weeks left ore the new crop year starts, and assuming the exports should rage 6,000,000 bu per week, there would be almost 140 million bu ried over into the next crop. Under the circumstances a very large p in Canada would become extremely burdensome and perhaps it is a ssing in disguise that the outlook at the present time is not too orable. According to Sanford-Evans the plant after making a satis- tory start is now rapidly losing ground as time goes on without a eral rainfall. Average precipitation since April 1st has been below mal in Manitoba, Saskatchewan and Alberta, Of course, seasonable d rains during the month of June could change the picture materially, at the present we have to figure with the fact that rain is very lly needed and uncertainties will exist whether or not the drouth l be relieved in time before much damage has been done.

At one time during the session a shower was reported at go, North Dakota, which lasted less than 5 minutes, but it had an ediate market effect and brought about a decline in prices. We y mention this to show what really might happen in case good soak- rains should occur in either Canada or our Northwest. The market more susceptible than usual in view of the fact that the winter at crop promises to be an early one, and the time for hedging sales not very far away. There is a big business going on for old wheat m Chicago, but yet we do not believe the total will be sufficient cut down materially our stock in Chicago, as the time left for keting is so short as many millers will soon be able to obtain

(O V E R)

their supplies at home from the movement of new wheat.

Primary receipts were 421,000 bu --much the same as last week when they were 445,000 bu. Stocks at Kansas City, Minneapolis and Duluth so far this week show a decrease of 839,000 bu. We doub very much whether the decrease in the visible supply will be as large as it was last year, when it amounted to 2,512,000 bu.

At the close there was a decline of 5/8¢ per bu in all futures.

Primary movement of corn keeps up at a satisfactory rate, being 889,000 bu against 900,000 bu a week ago. The demand is also pretty good, but if crop prospects continue to be favorable, we believe farmers will be willing to ship their surplus and supply all needs.

Oats remain in a weak position, stocks are very large, and t new crop will probably be more than sufficient for normal consumpti so we shall possibly add again to our carryover. We believe there will be steady good carrying charges.

Rye declined slightly in sympathy with wheat, but the price for this cereal does not seem high as the crop does not promise to be a large one.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
ORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
RK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 6, 1936.

Liverpool was fractionally lower this morning despite comparative frmness at Winnipeg yesterday. This, however, was not an issue as te important development overnight was the rather unexpected rainfll which occurred both in our Northwest and in Canada. At no one pint was the precipitation exceedingly heavy, although light to firly good rains were quite general with temperatures in many places lwer; and at least temporarily it was felt that the drouth has been boken and that some relief was afforded.

Minneapolis, which is tributary to growing areas of spring wheat, sowed immediately the effect of the weather change, and July wheat i that market declined right after the opening about 2¢ per bu from te previous close. There was also pronounced weakness in Winnipeg, frst quotations declining more swiftly than in our market, and this i quite important since Winnipeg prices are at a distinct discount uder futures in Chicago.

As we have mentioned in our letters right along, a carryover c about 140 million bu in Canada is practically assured and should tey have a normal crop this coming season as compared with partial flures during the past three years, it will give them quite a probem to export their grain. It now appears as though one of their god customers, viz., the United States, which took almost 30 millon bu of wheat last year, might be a competitor instead of a custmer; and this comes at a time when Europe is hardly in a position t absorb large quantities from surplus nations.

The writer is impressed with financial conditions abroad after a rcent trip, and even in countries like Spain and France where crops my not be excessive due to heavy moisture early in the season, the cances are that economies will be practised and that money will not b spent for the purchase of foreign exchange with which to buy wheat i other countries. Should we be faced with a surplus above home rquirements, as now seems assured, and only a minimum of speculation, aso our export market usurped by cheaper offerings, then we feel tat the weight of hedges is bound to make a further dent in the dmestic price level.

Primary receipts of wheat today were 291,000 bu compared with 30,000 bu last year. Shipments, however, were extremely heavy, ad amounted to 740,000 bu. It is quite apparent that a good many mllers, who did not buy their requirements on basis of May wheat, ae taking supplies more liberally now that we are having carrying-carge markets. Stocks at Kansas City, Duluth and Minneapolis show a net decrease for the week of 921,000.

As our session progressed there was no price recovery of signficance. The fact that Minneapolis was so very weak discouraged ay investment buying such as was witnessed here during the past two c three days.

We, ourselves, do not like to infer that because there has been ce rain in the Northwest that the crop is made, but it is well to bar in mind what happened through change of weather in the Southwst; and should developments be normal in the spring wheat areas, i will make a great difference, particularly as during the last yar we actually raised less than our domestic requirements. There wll undoubtedly be crop scares from time to time, and even if given prfect weather we doubt if the price will become very weak until ctual hedges come upon the market. At the same time the news from te Southwest is most optimistic, and we feel that even some of the hgher crop estimates recently published for winter wheat might be eceeded. As long as this situation exists, we feel that wheat can b sold on bulges.

Corn was influenced by the decline of the leading cereal; in fct, the same was true of small grains, where speculation was light ad where a few liquidating sales brought about a lower close.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
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ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 8, 1936.

Liverpool wheat futures were decidedly lower today, a decline
ing place of 1 5/8 to 2 1/2¢ per bu. They were almost entirely
uenced by the reports of rain in the American Northwest, which
ormation they had before our session opened.

Otherwise the foreign situation was a little more encouraging,
world shipments were larger than last year, which has not happened
frequently this season. They amounted to 10,298,000 bu compared
8,202,000 bu in 1935 similar week. The contribution from Canada
very large, 6,340,000 bu versus 1,815,000 bu last year; and of
se nothing would be more helpful in the future than for Canada
be able to get rid of more of her burdensome stocks before the
crop starts to move. Unfortunately there are only eight weeks to
st 1st, and with supplies now in all positions 192,879,000 bu, we
lly see a likelihood at the beginning of the new crop year of less
n 140 million bu, and this is considerably over a year's home con-
tion.

Strange as it may seem the wonderful rains in North America during
last forty-eight hours seemed to have more effect abroad than here,
our decline was considerably less than that at Liverpool. There
no arguments regarding the fact that at least for the present the
ught in the spring wheat territory, with the exception of a small
a, is effectually broken. Also the rains in Canada, which were very
espread and took place in all three provinces, must have done an
ense a mount of good. Under normal conditions we believe the de-
ne would have been much more severe, but trade at the moment is
y light, and in addition the visible supply is still decreasing at
ery fair rate; consequently hedges are steadily being taken out of
market, and this causes a comparatively firm undertone at times.
is, therefore, well to consider what the situation is likely to be
the opposite conditions prevail: namely, when the new crop move-
t starts in earnest and when terminal markets have to absorb heavy
ging sales daily in the same proportion as stocks increase.

We believe that changes for the better in the winter wheat outlook
ing the last few weeks ha ve been almost sensational. We should
be surprised if the state of Kansas alone, where yields were
imated in the last crop report to be 115 million bu, might produce
million bu or more. It is quite possible that the next govern-
t report to be given to the public on Wednesday, June 10, will not
show the full improvement which has taken place. But it is al-
t a certainty now that the winter wheat crop will be a large one
pared with the previous four seasons, and tha t unless the spring
at crop deteriorates so that millers in the Northwest will be com-
led to come to the Southwest for their supplies, stocks will ac-
ulate very fast and we will at least have a tendency to go down to
export level. It will, therefore, be interesting to watch what
l happen two or three weeks hence, when the movement of new wheat
l begin simultaneously in many states. In the meantime our price
el will depend more on the daily whims of speculators, and trade
ng so light smaller transactions may ha ve an undue influence on
ce levels.

Primary receipts continue to be fair --530,000 bu against 630,000
last week. The visible supply showed a decrease of 2,062,000 bu
sus 2,512,000 bu in 1935, and the net is about 1 million bu less
n a year ago, being 26,382,000 bu. However the great surprise
the slight reduction in Chicago stocks, amounting to only 71,000
This city still has 4,978,000 bu left whereas in 1935 same
iod we had 3,466,000 bu. This clearly confirms the view which we
e held all during the season --that there will be no scarcity of
wheat, and those who had figured on same and had taken deliveries
large quantities on May contracts will find the time very short in
ch to dispose of the old wheat at premiums, with the new crop com-
into competition so soon. In fact sales today were reported as

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only 26,000 bu, and from now on the tendency on part of millers wi be to hold off their purchases as long as possible, particularly i territories where they can obtain fresh supplies at home shortly.

At the close the wheat market showed a decline of 1/8 to 1/4¢ r bu compared with Saturday's final figures.

The corn movement keeps up quite heavy, primary receipts being 1,329,000 bu today versus only 460,000 bu a year ago. However the demand is also very good, and there are no signs yet of any heavy accumulations. Stocks this week increased 255,000 bu, but the visible is still only 6,076,000 bu, which is not a very large quant for all terminal points.

Oats stocks show an increase of 498,000 bu, and are now 31,290-000 bu, which is a very large amount considering that prospects fo the new crop are also very favorable, and it will probably exceed a year's consumption. We think this cereal will pay good carryin charges right along.

There was no activity in rye, with minimum fluctuations.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 9, 1936.

Liverpool futures recovered quite a good deal from yesterday's ap decline, a dvancing 1 5/8¢ per bu. Broomhall figured the rngth as being very largely sympathetic with our and Canada's com-tive firmness after the rains. However the foreign demand for cash t still remains very poor and No. 2 Northern Manitoba sold in and yesterday equa l to 85 3/4¢ per bu, practically at our ember price . The Balka n countries are already offering new t for August-September shipment at about the same level after pay-6¢ per bu duty. Should the United States have to compete with e countries, she would also be subject to duty in England besides the other charges. Therefore our price level can only be main-ed on the assumption that we are very close to a domestic basis, hat we should be able to carry over a larger surplus into the crop.

It appears that with the increased elevator capacity in this ntry, particula rly among the mills, a carryover of 140 million bu we are having this year, seems to be no longer a burden, and pos-y if business conditions in this country should be very prosperous prospects next year should not be very fla ttering, we might be to take care of even a much larger quantity without meeting ign price levels. This, however, would not be the case if our us should be very excessive. Whether or not this will be the case not be demonstrated until both the winter and spring wheat crops actually made and harvested.

At the present time with a visible supply of only 26,409,000 which is still being reduced, and an open interest 66,692,000 bu, e can be no great immediate pressure until the new crop moves. trade is still extremely small, yesterday's turnover in wheat ng only 16 million bu, which shows that there is no aggressive t selling. Consequently there is not likely to be a better nce wheel until the new crop moves in commercial quantities. are still two or three weeks away from that period. By early July y of the states will simultaneously offer their new wheat --Texas, ahoma , Kansas, Missouri, Illinois and Indiana-- and then there l be many days when new large buyers will be needed to absorb same. ing the last few years just at that period the spring wheat crops t back very severely. This in turn induced speculators to make mitments on a large scale on the constructive side and easily orbed all offerings. It is not likely but still possible that a etition might come this year, but we believe with the recent rains danger has been greatly minimized. While the weather map today s not show a great deal of precipitation among the main reporting nts in the four Northwestern states, yet scattered rains have len during the past twenty-four hours over portions of the North-t and the Canadian provinces.

The Southwest continues to be very optimistic regarding the bable yields for Kansas and Nebraska, and we have one estimate from ery relia ble party expressing the view that Kansas will raise million bu; and the same party gives a low estimate for Nebraska 50 million bu, which would make 210 million bu for the two states, pared with 96 million bu harvested last year. We doubt very much ther the government report which will come out tomorrow will be where near as optimistic as that. In fact a great deal of improve-t has taken place the last week or so, as weather is almost per-t for filling, so we anticipate that the figures which will be en to us tomorrow will more likely be those which the trade had n given about a week ago and which were much lower. Our guess ld be that probably not more than 500 million bu will be tomorrow's imate for winter wheat. As far as the spring wheat is concerned, ther the acreage nor the yields will be given in the report-- only spring wheat condition, which also will probably be lower n it would be if the reports were compiled after the good rains many parts of the Northwest.

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Primary receipts continue to be light, 289,000 bu compared wi 418,000 bu last week. Stocks at Kansas City, Duluth and Minneapo so far this week show a decrease of 108,000 bu.

Usually just before a government report comes out, trade is very light. This was the case today and fluctuations were not very important. At the close the market showed an advance of 3/8¢ per b

The corn situation remains strong; the reasonably heavy primary receipts are being easily absorbed, and today amounted to 937,000 bu against 1,072,000 bu last week and 276,000 bu a year ago

Oats profited somewhat in sympathy with higher wheat and corn markets, but there is not much incentive to buy this cereal in view of the large stocks still available with the new crop coming on the market soon.

French exchange was weaker again today and declined to their export point, showing that conditions in France are by no means settled as yet. However whatever the outcome, whether devaluation or not, we do not think it will make any difference in the price of United States wheat, as France with her carryover probably will be more or less self-sustaining this coming year.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CH GO BOARD OF TRADE
RK PRODUCE EXCHANGE
EW ORK COCOA EXCHANGE
Y K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 10, 1936.

Liverpool cables were reasonably strong today, their futures
ncing 1/4 to 1¢ per bu. For the present foreign markets should
no more than a sentimental effect on our prices for various rea-
. The deferred futures like December are already so extremely low,
ing about 3¢ under Chicago December, that no great declines there
in sight unless extraordinary conditions should prevail. Further-
with the improvement in the Canadian crop and prospects of much
er shipments this year from the Balkan states and from Russia, it
not likely that the United States will be called upon to furnish any
e quantity to fill the requirements of either European or non-
pean countries. Were we still dependent, as we were in former
s, on adjusting our price level to European prices, we would have
ecline to about 75¢ per bu before any large business could be con-
ated.

Trade here was very light today --everybody waiting for the
rnment report which will be given to the public this afternoon at
e o'clock. The last estimate was about 464 million bu and the
ures then represented the worst conditions, as the data was col-
ed before very beneficial rains had set in. To a small extent
will happen again today as during the last ten days filling wea-
has been almost ideal and private estimates are very much higher
they were five or ten days ago. We ourselves feel that since we
duced 433 million bu last year, and as Nebraska and Kansas alone
likely to yield 100 million bu more than last season, the final
ome this year ought to be at least 530 million bu. It is true
some states such as Ohio and possibly Indiana may have smaller
os than in 1935, but so many others are better off that the final
al ought not to differ much from the above figures. Nevertheless
trade in general does not think that the official report will be
where near as optimistic; and with the uncertainties existing under
circumstances new commitments are only taking place on a very
ited scale.

As far as spring wheat is concerned, inasmuch as the report will
her give us the planted acreage nor its actual estimate as to
lds, but only the condition, we have to rely more or less for the
sent on whatever information we can gather ourselves. It is
rally acknowledged that the late rains have done a great deal of
d; some irreparable damage had been done before, but now the wea-
is cool and satisfactory. More moisture, however, will be needed
t along for the best results, particularly if warmer weather should
in soon. It is never safe to calculate the future except on the
umption that normal weather will prevail, and should this be the
e this season we look for a spring wheat crop very much in excess
that last year, particularly as the planted acreage is also consider-
y in excess of that of 1935.

As far as old wheat conditions are concerned, stocks seem to be
ntiful for all purposes and the quantity of No.2 hard wheat in
lic elevators here on Saturday was 1,925,000 bu, which is probably
y much in excess of what will be needed before new wheat is avail-
e. Nevertheless the demand at the present time is extraordinarily
d and we look for steady decreases in local stocks as well as in
visible supply until sometime early in July when a turn in the
r direction will take place.

The trade as a rule is very impatient, and because it is assumed
t the harvest will be an early one and as staggering cars of wheat
already arriving at some points, they are looking forward with
iety to the period when wheat will move in commercial quantities,
ecting that simultaneously trading will improve and will be on a
ger scale. However judging from past experience it will take two
three weeks more until this period arrives and not until early in
y can we anticipate large hedging sales.

Primary receipts today were 265,000 bu, while shipments were
,000 bu. Stocks at Kansas City, Duluth and Minneapolis so far this
k show a decrease of 277,000 bu. It is quite evident that under
se circumstances there can be no pressure on the market, but under
mal conditions, with a crop such as we anticipate this year, we
have primary receipts for days and days during the month of July
five to eight times what they are now. Then will come the real
t as to the value of wheat.

(OVER)

At the close of the session wheat showed an advance of 1/8¢ pe bu for the July future, and the September was unchanged.

Primary redeipts of corn were fair at 553,000 bu, but yet they are not large enough to build up any sizable stock; and while this situation lasts we consider this cereal to be in a very strong positi

Oats remain neglected. Rye firms up easily. It is recognized that stocks of this cereal are not very burdensome, nor is there a big crop in sight, and probably all we raise this year will find a place at more attractive prices.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
K PRODUCE EXCHANGE
ORK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 11, 1936.

Yesterday after our session had closed the government came out it its report giving the winter wheat yields and the condition of ng wheat. These reports are generally and justly considered as important, because after all no private agency has such a wide- ad system of collecting information. Furthermore they have proved e very accurate for a number of years, and at the end of the crop on it has repeatedly been demonstrated that the supposed carry-, using government figures and deducting the known consumption, proved the value of the final estimates. This year, however, private experts seem to differ materially with the government mate, partly because they are not up to date. A decided improve- has taken place both in the winter and spring wheat states since Department of Agriculture collected its statistics.

We have repeatedly pointed out that good or bad filling weather this time makes a tremendous difference in ultimate results. From best information we can gather Kansas and Nebraska alone, instead aising 172 million bu as indicated, might easily produce 30 mil- bu more; and this might be conservative. Missouri, Oklahoma and s also have shown great recuperative power, and virtually every e, with the fine weather we are having now, ought to continue to better yields than expected around June 1. Therefore a winter t yield of 50 million bu more than the 482 million bu estimated t easily be in sight. In checking up further we find that the ernment apparently has made no change in the standing acreage, h is about 5 million acres more than in 1935. Since we produced million bu then the result actually would be worse this year last on the same acreage; and we all know the drought had played great havoc to the plant last year. Or putting it another way, government estimates the yield per acre as only 13.4 bu compared 14 bu last year, which seems to us almost unthinkable. In fact that basis the yield per acre would be only 1.1 bu per acre more in the disastrous seasons of 1933 or 1934.

Using the same reasoning we believe that the condition given spring wheat 66.9 does not make allowance for the rains we had e June 1. A spring wheat crop of approximately 200 million bu ld give only 9 bu per acre, which is the lowest in recent years, the exception of one year. It is quite likely that final re- s with only normal weather will easily be 30 million bu more, and abnormally good weather 50 million bu additional wheat would be sight. A combined crop, as indicated by the government, of 682 mil- bu would give us only a slight excess over home consumption, ch with our increasing population might easily reach 650 million bu. s despite the fact that probable wheat feeding to animals will take ce on a smaller scale, provided feed crops, which are very promis- at the present time, suffer no great setback.

Liverpool took much the same view as the trade here, and was very excited before our session had opened. There was a small ad- ce in futures at Liverpool, but same could not hold and closing ces were unchanged for some futures and 5/8¢ per bu lower for ers.

Broomhall points out again that rains have greatly improved wheat prospects in Russia, although there are some territories re drought has caused severe deterioration. Nevertheless we ex- t that Russia will become at least a moderate exporter during the t crop season.

Here also the report had only a temporary effect, early with a ghtly higher opening, as traders assumed that final results will be much better. They remember what happened in 1931 when the June ernment report estimated 168 million bu for Kansas and finally on

(OVER)

December 1, on account of continued favorable weather, showed an actual yield of 240 million bu.

After mid-session the Minneapolis market became very strong, which lasted until the close. They evidently were influenced by th very small amount of rainfall in the Northwest overnight, where onl a few showers had been reported, and temperatures, which are favorable now, are likely to rise.

Another item which deserves serious consideration before pass judgment on wheat values is the fact that there is no substantial bu- ing power at present in the market. Yesterday's total wheat trade was 7,738,000 bu. If one deducts from that the scalping trades and the spreading operations between July and September, and Septemb and December, we do not think that the actual purchases or sales o part of commission houses would exceed 2 or 3 million bu. Considering that when the winter wheat crop starts moving there might be ma days when that many hedging sales will have to be absorbed, we wond what effect this will have on prices on account of diminished trading.

Primary receipts continue to be light, but the outgo is heavy; the total amount of wheat received at primary points was 328,000 bu, while shipments were 660,000 bu. Chicago reduces its stocks almost daily and reports new sales right along. We, therefore, again expect a good decrease in local stocks next Monday. There is also a reduction so far this week in Kansas City, Duluth and Minneapolis of 376,000 bu. This tendency we believe will continue more or less during the whole month, but what will happen afterwards if the good threshing returns in the Southwest are an indication of crop results, is another question. Almost every place where threshing ha taken place results are very optimistic, but not enough territory has yet been covered to make quite sure that this will be general.

At the close our wheat market showed an advance of 1/2¢ per bu for the July future and 5/8¢ for the September.

Corn fluctuations were very light, but the tendency keeps fir

Oats remain neglected, and rye was purchased on account of it cheapness compared with the other cereals and the fact that the cro promises to be a light one.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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NE YORK COCOA EXCHANGE
W RK COFFEE AND SUGAR EX.
COMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 12, 1936.

Liverpool wheat cables were quite strong today, futures there dancing from 1 1/4 to 1 1/2¢ per bu. Europe at this time of the er is in much the same position as the United States; only a remnant ftheir own crops are left for sale, and the countries from which hy expect to fill their requirements also have reduced their surplus oa great extent, with the exception of Canada. Australia cleared ny 1,252,000 bu this week compared with 1,666,000 last year; the morting world at the present time is almost entirely dependent on hpments from North America. This naturally will change as soon as h new wheat is being harvested in Europe, at that time the Balkan ttes will again enter the export market, also possibly Russia, and uing the last six months will be followed by Argentina and Australia. oever the chief reliance rests upon the amount which will be availbe from Canada; consequently their crop prospects will continue to ewatched with great interest. The steadiness at Winnipeg yesterday a, therefore, a strengthening influence abroad.

From all information we can gather the crop prospects in that ontry have been greatly improved by the heavy general rains over n last week-end. The weather continues to be reasonably cool, but smoisture missed some districts further precipitation is desirable. outlook is for possibly light showers during the next 24 hours.

Inasmuch as the United States is still on a domestic basis, will have to remain so as long as Liverpool December sells at 3¢ ebu under ours unless our whole price level would be changed.

A serious deterioration in the spring wheat territory, based nthe last Government figures of 682 million bu for a combined winter n spring wheat crop, would leave us only a small surplus over home osumption. On the contrary, an additional 50 million bu would make extremely difficult to sustain our prices and might force us in ie with other exporting countries. We saw last year what a difeence 30 million bu of imported wheat made in the situation. Thereoe all eyes are now centered on the Northwest, as the size of that rp will determine whether wheat shall advance or decline from this eel.

The Minneapolis market is supposed to indicate more than any ter the prospective outlook of the four spring wheat states, being omuch nearer to the scene. However their market is comparatively arow, and their price changes may very frequently exaggerate actual oditions. As there were no rains reported during the last twentyor hours, and as Minneapolis futures at times were very strong it a a decided influence on sentiment here, giving us quite often a ey strong undertone.

Trade here yesterday was considerably heavier, amounting to 5million bu of wheat, but when comparisons are made with other years ns turnover seems quite insignificant.

Primary receipts continue to be extremely light being 229,000 ucompared with 421,000 bu last week and 379,000 bu last year. Shipets are heavy at 352,000 bu, indicating continued reduction in tcks; and so far this week Kansas City, Duluth and Minneapolis show ecrease of 447,000 bu.

Chicago continues to sell daily considerably more than it buys, n with the local consumption added we look for a large decrease in tcks here next Monday. However we doubt whether the total visible uply reduction will be equal to last year's when it amounted to ,07,000 bu. These reductions have been going on now more or less ice the close of navigation and will continue so for two or three oe weeks. Despite the fact that the winter wheat crop is an early n, we do not look for many hedging sales until early July.

After mid-session the Minneapolis market weakened, which inlenced us at once and at the close the market showed a decline of out 1/2¢ per bu.

Trade in corn, oats and rye was rather small, but when recions took place in wheat it also had a slightly bearish effect on other grains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHIGO BOARD OF TRADE
Y RK PRODUCE EXCHANGE
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YK COFFEE AND SUGAR EX.
OI ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 13, 1936.

Owing to the declines in Chicago and Winnipeg yesterday, Liver-
ol was quite reactionary this morning, and closed 7/8 to 1 1/8¢ per
u lower. Outside of North America world shipments on Monday will
rbably be very small, but at the same time the milling demand
boad is very poor, and apparently the trade is awaiting the new crop,
n, therefore, drawing somewhat upon supplies on hand.

There was no rain of consequence overnight, although we had a
esage from Winnipeg stating that a few light showers had occurred
nsouthern sections of Alberta and Saskatchewan, and moderate to
evy rains in the Peace river district. The forecast also suggested
ht additional moisture might occur over the week-end. Our own wea-
hr man is inclined to believe that the northern section of North
aota and Minnesota might also be favored. However there is nothing
n the official forecast to confirm this belief, although generally
oler temperatures are expected. The Minneapolis correspondent of
h Wall Street Journal claimed that northwest crop prospects have
en immeasurably improved in many sections by the recent rainfall,
n that most of Minnesota and southeastern South Dakota is now in
cd to excellent condition. He further states that the greatest
mrovement because of rain has been noted in northwestern Minnesota,
swell as eastern and northern North Dakota and northern and central
tana. There are still some dry spots, and, therefore, timely rains
cld be very welcome, but there is some satisfaction in knowing
ht the situation is far from critical at this date.

As far as Canada is concerned, we believe that conditions up
hre are better, and according to reports in the Winnipeg Free Press,
evy downpours covering the whole territory from the Alberta foot-
ils to eastern Manitoba revived faltering crops, with the heaviest
rcipitation in the southern portion of all three provinces; al-
ugh even up there isolated drought conditions still persist.

Our market opened at about unchanged figures, but showed some
uyancy when Minneapolis advanced sharply. It seems that the North-
et market is still under the influence of last year's poor crop,
with no pressure up there any buying power is quickly reflected
nsharply higher prices. We have more or less the same condition
ee, as there is not yet any new pressure upon our market, and
re probably will be very little until early in July when crops
trt to move in volume. However the limited speculation, which is
ewhat bullish now, is apt to be just the reverse when the five
ten-thousand bu lots are sold against country purchases, unless
onsiderable broadening of trade should take place.

Primary receipts today were fairly liberal --335,000 bu com-
aed with 308,000 bu last year. Stocks at Kansas City, Duluth and
neapolis showed a net decrease for the week of 491,000 bu.

The strength in Winnipeg today was a factor here, just the same
sweakness yesterday had brought about our closing declines. However
rders are not too enthusiastic about the bull side of wheat, as
og as Southwestern conditions remain favorable. It seems rather
ficult at the present time to obtain a real bad report anywhere
rm the Southwest. It is quite surprising how far advanced the plant
s and from observers who have recently traveled the Kansas territory,
appears as though cutting of wheat might begin next week on a
ge scale if the weather remains fair. One of our friends who
ered enough of Nebraska to give him a clear picture, seems to
nk that that state could easily raise 50 million bu as weather is
efect at the present time. Taking this into account we feel that
hin a few weeks hedging pressure will be a depressing influence,
n for that reason we doubt whether any sustained advances are
osible unless the Northwestern crop deteriorates from this time
oward.

Corn enjoyed only a moderate trade, the September future ad-
cing slightly.

Other grains were helped by the more friendly feeling in wheat,
n closed fractionally higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 15, 1936.

Liverpool futures this morning opened slightly lower than they closed Saturday, but when they were informed of the great strength e and at Winnipeg, that market firmed up, final prices showing an ance of 5/8 to 7/8¢ per bu. Europe for the time being is more n ever dependent upon Canadian supplies, and, therefore, the great ength in Winnipeg is bound to have a sentimental and actual ef- t on European wheat values at present.

World shipments this week were very much larger than last year-- 51,000 bu compared with 7,695,000 bu similar week in 1935; two- rds of same came from Canada; namely, 6,583,000 bu versus 1,830,000 a year ago.

The strength in our market can be more easily explained than that f Winnipeg, because the Canadian crop outlook is quite good at this e, and moisture conditions up there are better than in the spring at territory in the United States. Furthermore scattered showers r predicted for all three provinces, while the official forecast does indicate any rains for the four spring wheat states. Our own wea- r forecaster, who follows the same reasoning as the official weather man, thinks, however, there might be a 50-per-cent chance that r the border line in North Dakota there might possibly be some wers. In the meantime the Minneapolis market was very much excited periods, and July wheat at one time reaching the 5¢ limit, which the maximum fluctuation permitted in one day. The close, however, somewhat lower, but a strong undertone prevailed during the whole sion.

Under these circumstances heavy short covering took place today, undoubtedly lots of new investment buying. The trade was also ouraged by the rather high temperatures in the Southwest, although own reports indicate that it was not warm enough to fear much im- rment in the outlook of the Southwestern crop. The further fact t visible supply stocks still continue to decrease, which neces- ates the removal of hedges, also has a tendency to tighten the mar- . The decrease last week was 2,123,000 bu against 2,207,000 bu previous year; and the total has now been reduced to 24,259,000 bu. will still be two weeks more before we may look forward to a re- sal of this tendency, or until the movement increases and more ges are put on the market.

In the meantime, of course, the weather in the Northwest will be dominant figure, and if unfavorable conditions continue specula- n will be more active on the constructive side. However there is hing as yet to indicate a certainty of a crop failure in spring at. While it may occur if the drought continues for any prolonged iod, a sufficient amount of rainfall during this week might change situation. According to the long-time weather predictions, there possibilities of more precipitation the last half of this week. h these uncertainties regarding the weather, it is difficult to e predictions, especially so as to the immediate trend. Later on figure that should Kansas and Nebraska raise 100 million bu more at than last year, at least temporarily, there will be a two-sided ture.

The tenor during the whole session was extremely strong and ctions at all times were very small, the close bringing practically best prices of the day, showing an advance of 2 3/4¢ per bu com- red with Saturday.

Primary receipts were fair at 477,000 bu, with shipments of only ,000 bu, while receipts last year were 618,000 bu and shipments ,000 bu. However the demand here at Chicago was lighter-- only 000 bu were reported as being sold. Stocks in this city decreased ,000 bu, and are still 4,512,000 bu, indicating that our previous imate that we might have a 4 million bu stock in this city at the inning of the crop year might be realized. This would give us a d start when the new crop moves, and will probably bring about bet- carrying charges from September to December.

All the other cereals, corn, oats and rye, were influenced by great strength in wheat and closed considerably higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 16, 1936.

Liverpool cables before our session had opened responded rather crly to our sharp advance yesterday; the close finally being 3/8 to per bu higher on their various futures, but their October wheat about 2¢ per bu under ours. Therefore anything approaching an ort situation is out of the question. In fact possibilities of ortations from Canada are looming up again, provided the spring at crop should deteriorate further, and the Canadian crop continue improve. The difference between Minneapolis September and nipeg October wheat at the close today is 19 1/2¢ per bu. During past season many times when the difference was between 25 and 30¢ ortations from Canada to the United States took place. This, ever, was made possible only on account of the high premiums exist-ng for protein wheat. It is too early to calculate on a repetition ing the coming months, but the fact that Canada will again undoubt-y have a very large surplus, with a weak world situation, puts eiling to unreasonably high advances.

The weather in Canada was very favorable, and good rains were orted in all three provinces, improving crop prospects very materilly. That market showed the effect of this changed condition and lined 1 1/4¢ for the July delivery and 1/4¢ for the October comed with the previous day. Our spring whea t territory was not ally as well favored. There were no rains in either Minnesota South Dakota. North Dakota received some relief, and three recting stations out of fourteen registered moisture of about 1/2 inch; ree other stations reported over 1/8 inch, while the balance of state was missed. With this partial, but insufficient relief in spring wheat territory, all attention is still being paid to the neapolis market, which after an early decline had a good recovery, al prices showing an advance of 5/8¢ per bu.

The weather prediction for tomorrow again indicates a possibil- of precipitation, but what is really needed is bountiful rains ore the hot weather sets in, which usually comes in the summer.

From the Southwest our reports remain highly satisfactory, but will take until a bout Monday a week before there will be hedging es on a large scale.

The open interest declined yesterday almost 3 million bu, the crease being practically all in the July future. This to us is an lication that heavy short covering had taken place. It is not like- that new commitments are made in this future, as delivery of same in sight in a couple of weeks from now. Total open interest is now y 62 million bu against 74 million bu a year ago, showing that side interest is still very limited. This is not being severely t at the present time, and will not be as long as stocks continue decrease, but it will become a very important factor when hedging es are likely to take place early in July.

In the meantime the demand for cash wheat from Chicago is beming much lighter, many millers evidently waiting for the new crop move, when they can obtain their supplies at home instead of ng to terminal markets for their requirements. Chicago receipts e 20,000 bu, and shipments only 27,000 bu, and new sales reported also much less than recently.

Receipts continue to be very light, only 282,000 bu being reived at a ll primary markets today versus 449,000 bu in 1935. Shipnts, however, are also light, amounting to 255,000 bu. Stocks so this week at Kansas City, Duluth and Minneapolis decreased only ,000 bu.

At the close our market showed an advance of 3/8¢ per bu for July future and 5/8¢ for the September. Tomorrow's fluctuations oubtedly will be determined largely by overnight weather reports.

Trade in corn, oats and rye was extremely limited, but they benefited from the strength in wheat and closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
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CHICAGO MERCHANTILE EX.

June 17, 1936

The Liverpool market opened rather easy before our session start- ,but evidently later it was influenced by the strength here and in da for their futures advanced and finally closed 1/2 to 7/8¢ high- . At the present time foreigners are not very independent and can- afford to be so as long as at least two-thirds of their imported lies have to come from Canada. It will be some time before their home-grown wheat will come on the market,and as a rule Russia and Danubian provinces are not in a position to ship much until the er part of August, which is still two months away. Australian clear s are bound to be light for the next six months, and Argentine ributions will be at a minimum. It seems that the Canadian Wheat d is justly taking advantage of this situation and is trying to in best prices possible for their old wheat without forcing mar- so high that it would curtail the demand. This is the only way xplain today's fluctuations which took place in the various mar- . Canada had been favored again with excellent rains over t, and the crop prospects there are very promising; but their res remained strong. On the contrary, the American spring wheat itory received only very light showers which were insufficient ring about permanent relief and the Minneapolis market was a little r. Traders here, who are watching every change that takes place he various important grain markets, were at sea and therefore sharp tuations occurred.

The state which is suffering the most - North Dakota - shows theslightest overnight precipitation on the detailed weather map. of fourteen points there was only one that received as much as tenth of an inch of rain, and the others that have not been miss- ltogether received only a minimum amount of precipitation. esota was favored somewhat more, but Montana and South Dakota also no relief worth while. Therefore, it is to be assumed that the ng wheat crop, as a whole, is deteriorating further. What the l outcome will be, nobody can tell at the present time as too much nds upon weather conditions during the next six weeks, and even the week or two will be a critical period unless there is rain soon. only crop expert who ventured to estimate the present crop out- , based on his reports, was B. W. Snow who believes that crop es in the three states, since May 29th, might aggregate 52 million els, leaving current prospects of 126 million bushels for North- ta, South Dakota and Montana. This would compare to 106 million els actually harvested in these three states last year when the l results were considered almost disastrous. Minnesota, we be- e, is better than last year. If we add 63 million bushels, which nt was harvested last season in all spring wheat territory outside hese three states, we would arrive at an outlook of 189 million els. This is of course an extremely small quantity, but thresh- returns from the Southwest are such that many experts still be- e Kansas and Nebraska might easily raise 100 to 110 million bushels than in 1935. This would make up a great deal of the de- ency in the spring wheat territory.

Wheat receipts continue to be extremely light at primary points, nting to only 208,000 bu compared with 405,000 bu last year, and e this lasts visible supply stocks will continue to decrease. So stocks at Kansas City, Duluth and Minneapolis show that at these s supplies have been diminished to the extent of 451,000 bu. The nd in Chicago is very much lighter than of late, and today's sales rted amounted to only 37,000 bu. Actual receipts were 15,000 bu shipments were 86,000 bu. Stocks of No. 2 hard wheat in this , in public elevators, are still 1,774,000 bushels, decreasing only 150,000 bu during the past week, and it appears to us as though east part of this wheat might be delivered on July contracts. We k that much of this wheat will be here for some time, to which vals of new wheat will be added, and so finally we might have a larger carrying charge between September and December. At the e our market was unchanged for July and 3/8¢ lower for September.

Corn and oats were both higher and are also influenced by the dry her existing at many places,including some of the good corn states, the Northwest. Rye continues to be neglected and showed but l fluctuations.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO June 18, 1936.

Liverpool wheat cables closed 1/2 to 7/8¢ per bu higher. es abroad reflect the continued strength at Winnipeg, despite recent rains and the improved crop prospects in Canada.

Canada again exported practically 6 million bu of wheat for week ending June 12, and shipments from other nations continue to small. There were no Black sea clearances at all this week com- ed with 746,000 bu last year. The world visible supply as of e 13 also is 55 million bu smaller than last season, 222,408,000 versus 277,932,000 bu last year. The decrease of 55 million bu almost all confined to Canada, which has 51 million bu less on d than for similar period of 1935. Stocks in the United State s, ted Kingdom and on-passage are virtually the same; in Argentina, y are 5 million bu less. The small disappearance this year, con- ering the very short crops in so many countries, is entirely due to low consumption in the world, while an increased demand had been ected with shorter crops. Since August 1 in Europe alone importing ntries took 16 million bu less than last season and ex-Europe, out the United States, 34 million bu less. Unless there should be at improvement in the economic situation abroad we fear that the and during the next twelve months will be equally disappointing.

As far as the world situation is concerned, with normal crops Canada the situation might be radically changed next year. An rage crop in Canada, which is in sight now, might be 100 million larger than last year. This is based on an acreage of about 24 lion acres with a 16-bu production per acre. Of course this might nge very materially with unseasonable weather.

However as far as the United States is concerned, we have to oncile ourselves to the fact that while we might raise a moderate plus, our price level undoubtedly will be based, at least for the ater part of the season, if not altogether, on a domestic level. n even the most conservative elevator men in the Northwest talk ut the irreparable damage to the spring wheat crop and hold out tle hope for much improvement, we must recognize the fact that combined winter and spring wheat crops are not likely to exceed y largely our home requirements. The Southwest crop has improved much that we believe the winter wheat crop might easily reach 520 540 million bu. If the spring yields are 190 million bu the total ld still largely exceed last year's crop, as well as home require- ts; but the moderate excess might not be so serious until later, ept that the very diminished trade might at times depress the mar- more than it deserves.

The smallest open interest since records have been kept, in y, 1923, was 60,720,000 bu; today it is lower than that; and, refore a new record low of only 60 million bu. Last year primary eipts during July and August amounted to about 35 per cent of the al crop for the year; in 1934 they were 45 per cent of the total, should this be repeated this year, (in other words, if farmers the Southwest, should they raise good crops, be liberal sellers) might be hard to find sufficient new buyers during these two ths with the limited inducement to trade. Based on the present p outlook it would be nothing extraordinary if gradually our ible supply would increase from 50 to 75 million bu, which will be ged in the various markets, and the market is certainly likely to more two-sided when that period comes.

The milling business everywhere has been improving decidedly ce crop scares have existed in the spring wheat territory, and ur production is very much better.

(OVER)

Total primary receipts today were 383,000 bu and shipments were almost 320,000 bu. Stocks continue to decrease, and so far th week Kansas City, Duluth and Minneapolis show a falling-off of 149,000 bu. Receipts at Chicago were only 4,000 bu, with shipment 71,000 bu, and 53,000 bu more were reported as being sold today. H ever we notice somewhat of an increase in new wheat arrivals at various country points in Oklahoma and Kansas, and next week alread the movement might be considerably enlarged.

According to reporting stations, there was not a drop of rai in either North or South Dakota, and practically none in Minnesota Montana; but this was offset by a prediction of probable showers or thunderstorms in the three Northwestern states tomorrow.

At the close the wheat market showed a decline of 1/4¢ per b for the July future, and 3/4¢ per bu for the September.

Considering the great strength in all the other cereals, the undertone must be considered as rather weak.

Corn was a great deal more active today, and the trade is ve much concerned over the fact that dry weather continues in so many of the leading corn producing states. In the meantime receipts are keeping up fairly well, but the demand is also very good, and there are no accumulations to speak of as yet in sight. This cereal clos very much higher; and in turn affected oats, which crop is also suffering from dryness.

Rye remains neglected, but closed a trifle higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 19, 1936.

Liverpool wheat futures showed further advances of 3/4 to 1 1/2¢ er bu today. Foreign markets are not leading just now but are fol- owing Winnipeg and Chicago markets, and their October wheat still emains about 3¢ per bu under our September.

The Southern Hemisphere is shipping comparatively little, rgentine clearances amounting to only 190,000 bu versus 2,110,000 last year. Australia was somewhat heavier, 1,965,000 bu against 1[illegible],000 bu in 1935; but out of that 660,000 bu was shipped to non-uropean countries.

However very little attention is being paid to foreign news the present time, as with further deterioration of the crops we re coming nearer a situation where we should be more on a domestic sis. At the moment the outlook is still for a combined winter and ing wheat crop in excess of home requirements, but the margin is dually getting less, and should the crop go back any further no- dy can tell how closely we shall be able to consume what we raise. e maximum estimates now for the spring wheat crops are about 180 mil- ion bu, which, however, might be reduced with unfavorable weather. e last government report on winter wheat was about 480 million bu, ch would make a total of 660 million bu, only a trifle over the al consumption. Of course, it is generally assumed that the er wheat crop might be 40 million bu more-- in fact, until the t few days even higher figures were in sight. There are some plaints now from the Southwest that with the continuation of hot ather there might be some shrinkage in the quantity and there might o be a good deal of light test wheat. Weather during the last few ys was extremely hot in many places in Kansas, the thermometer ing as high as 106 decrees at Dodge City; cooler weather, how- ver, is predicted. There is no rain in sight whatsoever for the ing wheat territory and every day that this continues there will e further deterioration, which can only be relieved by more moisture.

Yesterday's open interest decreased again 791,000 bu and the al is now 59,208,000 bu, the lowest on record since 1923. We e no doubt that again very heavy short covering took place, which, addition to the other bad crop news, undoubtedly was an important tor in sustaining values. It is our opinion that the short erest must be greatly reduced, almost to the vanishing point, and refore from a technical point of view the market will not be in a d position to absorb heavy hedging sales, should they start coming at the end of next week or the Monday following.

There is a decided increase in receipts at interior points, d receiving today 136 cars and Wichita 90 cars, and altogether a number of smaller points reporting 294 cars were received ay, which we assume to be practically all new wheat. From this infer that by next Monday these interior receipts might equal cars. The test will then come whether there will be sufficient buyers at the advanced price level to absorb these hedges, as millers alone never buy sufficient quantities during the early ement to absorb same, and a steady accumulation is bound to take ce as usual.

The Canadian crop situation still remains reasonably satis- tory, but nevertheless the Winnipeg market registered sharp ad- ces, evidently affected sympathetically by our market; and the nces for importations from Canada are increasing, as the differences ween the Minneapolis and Winnipeg markets are widening. At the se there was a difference between the two Julies of 25¢ per bu in or of the Winnipeg market. If the Canadian quality should be a ice one, so that it will bring a premium over the United States' at, we might have a repetition of last year and import reasonable ntities from across the border.

(OVER)

About eleven o'clock the Agricultural Department came out wi a supplementary report; however, it contained no special news except it confirmed the damage which had been done to the spring whe crops during the first half of the month.

Primary receipts showed some increase, being 456,000 bu toda compared with 338,000 bu a year ago, but stocks continue to drop off, and so far this week Kansas City, Duluth and Minneapolis showed a decrease of 766,000 bu. Inasmuch as the visible supply in 1935, sa period, decreased only 946,000 bu, it will be very much larger thi week. We look for a very small visible supply when the new crop starts moving here. This particularly so as Chicago continues to ship out fair quantities of wheat and makes new sales right along, all of which will likely continue until early in July.

During the whole session recessions were very small, but the buying power gained momentum as prices advanced, and the close was practically at the top prices --the gain for the day being 3 7/8¢ per bu for the July future and 4 3 /8¢ for the September.

The weather conditions which affected wheat, also had a favo able influence on corn prices, on the assumption that the dry weat is detrimental to the best development of the plant. Oats are al suffering; and both these cereals advanced greatly.

Rye, which is comparatively cheaper than any of the other cereals, but which has been much neglected of late, gained in valu together with the others.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
N YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO June 20, 1936

Liverpool wheat cables were very strong today, advancing from 2 3/8 to 2 3/4¢ per bushel, and as our market was also higher they are aout 2 to 3¢ lower on their October compared with our September, the sme as right along.

With further probabilities of deterioration of crops foreign prics only have a sentimental effect. Of course the greater strength abroad will influence the Winnipeg market and this in turn will afct ours, particularly as it is reported that quite large sales of Cnadian wheat had been made to the United States yesterday. This, of course, is old wheat. We have no confirmation of these transactions, but it is quite likely with the big difference prevailing between nneapolis and Winnipeg and the high premiums which are still obtainable for high protein wheat.

The weather overnight continued to be quite extraordinary, and was mostly unfavorable . There were no rains reported anywhere and as moisture is needed not only for wheat, but also for corn, oats and pastures, the whole picture will again assume a more bullish aspect. It was reported that the temperatures at a number of Southwestern points were the highest ever recorded at this time of the year, and therefore is to be presumed it is not doing any good to the crop, although he damage at this advanced stage may not be so very serious, provided ooler weather prevails from now on. The long-time prediction, if it roves to be correct, does not indicate much precipitation for next eek and the forecast also leads us to believe that reasonably warm eather will continue. This necessarily scared shorts more than ever, nd the open interest in July decreased yesterday 3,716,000 bu, reducng the total to 56 million bu, another low record. We conclude, therefore, that speculators on the long side are still very cautious and have ot come in with purchases on an extensive scale; and we must further ssume that the higher the market goes the less eager they will be for ommitments on the constructive side, unless further damage continues.

However, it should not be overlooked that the movement in the outhwest has started. Enid received today 144 cars, Wichita 109 cars, nd with sundry other places there was a total of 324 cars. The receipts next Monday undoubtedly will be still larger a nd from now on here will be some increases in hedging sales, although they probably ill be comparatively small for at least a week or ten days. After his we look for gradually increasing accumulations.

Were it not for the still propitious outlook for Kansas and ebraska the United States crop would be considered a calamity. Forunately also the Canadian prospects are still quite favorable. Sasatchewan, the largest province, in the weekly crop report issued by he Agricultural Department of the Canadian Pacific R. R. reports that rospects are mostly very encouraging, although mention is made that oisture is needed in some parts. Of course, if deterioration should ake place also in Canada it would affect the whole world situation. he Winnipeg market is lagging behind right along, which can be easily xplained, as outside of their more favorable outlook for the new crop here was still available on June 12 about 178 million bu of wheat, nd with seven weeks of exportations yet to come there will be close o 140 million bu carried over on August 1.

Primary receipts commence to show some increase, being 568,000 u vs. 335,000 last week and 368,000 last year. The outgo is also uite good, shipments amounting to 695,000 bu. Stocks at Kansas City, uluth and Minneapolis so far for the week show a decrease of 829,000 u, indicating a large decrease in the visible supply on Monday.

The market closed with a reaction of 3/4¢ from the top, but at an dvance for the day of 2 1/4¢ per bushel for July wheat and 2 3/8¢ for eptember.

Corn, oats and rye also were influenced by the continued dryness n the Central states, and all closed at good advances for the day.

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DAILY MARKET LETTER

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CHICAGO June 22, 1936.

Before our session opened today, we were confronted with a very
k Liverpool cable; also there were some unexpected light rains in
th Dakota. Out of fourteen stations, twelve reported some pre-
itation, although only five showed more than 1/5 inch of rain.
le this naturally is some help, it does not sufficiently relieve
situation. Later on when the weather forecast predicted dryness
tomorrow, a great deal of the early effect of the bearishness was
t. Temperatures in Kansas and Nebraska continued to be hot on
day, but at some places it is cooler today. South Dakota and
nesota also received some moisture, with fair temperatures, but some-
t warmer weather is in sight. There were some very good rains in
corn belt, and the chief states, Iowa and Illinois, benefited from
e. So at the moment wheat is not receiving any help from coarse
ins, and has to stand on its own merits.

The weakness at Liverpool was quite pronounced, futures declining
m 1 5/8¢ to 1 7/8¢ per bu; this in spite of the very small world
pments, which amounted to only 7,011,000 bu compared with 7,877,000
in 1935. The largest contributions again came from North America;
ada cleared 4,444,000 bu versus 2,062,000 bu last season. Liver-
l October wheat now is selling at more than 5¢ per bu under our
tember. As they are so largely dependent upon Canada, we can only
lain this great indifference to their and our strength by the fact
t they must expect much larger exports from the Balkan states and
sia this year than last. Then, of course, they anticipate that
er on the Argentine crop failure will not be repeated and that after
uary supplies from there will be very plentiful.

The early weakness in our wheat market today changed to great
ength very soon when Minneapolis continued to send much higher quota-
ns than last Saturday. The Canadian market also at times displayed
at strength, in spite of the fact that the crop outlook is still very
isfactory. However they evidently hope that they will be able to re-
n their new customer: namely, the United States, and that we shall
compelled to again become importers instead of exporters. In fact
re must be some business consummated right along; imports for the
k ended June 13 amounted to 450,000 bu, and so far this year the
al is almost 31 million bu. We understand a great deal had been work-
the past week during our sharp advance.

The outside trade must still be comparatively light, as the total
n interest decreased again on Saturday to the extent of about 1 1/2
lion bu; and is now down to 54,568,000 bu --the lowest on record.
would, therefore, seem as if great cautiousness would still exist,
that in view of the approaching heavier movement many traders and
culators want to be quite sure that the crop has deteriorated suf-
iently to justify the present level of prices, which for the deferred
ure is now close to the dollar mark.

The statistical situation is being almost ignored now, but the
ual movement in the Southwest has started in earnest. Receipts at
erior southwestern points were 632 cars today; Enid received 236
s and Wichita 220, which is quite heavy for this time of the year.
smuch as Kansas and Nebraska are the bread-basket for the United
tes, and are the only states which have exceptionally good crops, we
ieve that all other markets will have to adjust themselves to
sas City, as accumulations there will be the first ones in commercial
ntities. Today Wichita and Kansas City received 644,000 bu, which
ped swell primary receipts, amounting to 1,003,000 bu against only
,000 bu a year ago. We believe that by next week they will commence
assume large proportions, and hedging sales are likely to be felt.
will then take continued new speculative buying to offset same un-
s in the meantime northwestern crops should deteriorate further so
t mills will become more than usual active buyers.

The visible supply decreased only 858,000 bu, amounting now to
401,000 bu compared with a decrease last year of 948,000 bu when
al stocks were 24,128,000 bu. We do not consider it at all unlikely
t this will be the last decrease, and that from now on there will be
ady increases until the close of navigation.

At the close the wheat market showed an advance of 1 1/8¢ per bu
the July and 5/8¢ for the September.

Corn and oats declined considerably from Saturday's closing quota-
ns, and even the strength in wheat could not restore the higher
ces, as it is assumed that rains have been very beneficial.

Rye sympathised more with wheat, and closed somewhat higher.

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CHICAGO June 23, 1936.

Liverpool cables were quite strong before our session opened ad maintained their advance until the close, futures being 1 3/8 t 1 1/2¢ higher than on the previous day. Liverpool October wheat nw rules about five to six cents under our September wheat, showing tat the world wheat situation itself is not considered serious as fr as supplies are concerned. The only fears which exist, and wich brought about the advance in the United States, are the small spplies expected to be produced in this country. Inasmuch as we are potected with a 42-cent per bushel tariff, we might see quite diffrent values here from those of other exporting countries.

Winnipeg market was closed today. There were no rains in Cnada, but the temperatures are reasonable. As long as that country i getting along nicely, and being the largest exporter of wheat, te importing world feels pretty safe. Should that crop deteriorate fr one reason or another, then of course Liverpool and other foreign mrkets would take quick cognizance of it.

There was practically not a drop of rain anywhere in the four Nrthwestern states and warmer weather was predicted, which was considered as very unfavorable for the growing plant. Maximum estimates fr the four spring wheat states have been reduced to about 123 millon bushels, and the total spring wheat crop to 170 million bu, which i so small that any further damage might bring us so close to a dmestic basis that we would likely have a repetition of markets such a we had last year. Temperatures in the Southwest are very much coler, and while estimates on the final outcome for Nebraska and Knsas have been reduced, it is still expected that the yields for tose two states will be very large and that a good movement may be epected very soon. Six interior markets received 516 cars today, pactically all new wheat. Primary receipts are also commencing to sow the effect of an enlarged movement, today's receipts being 71,000 bu at terminal points compared to only 282,000 bu last week ad 374,000 bu last year. Shipments are becoming smaller as at sme places millers are starting to figure on obtaining their supplies narer home and are not contemplating coming to terminal markets. Fr the first time in a long while stocks at Kansas City increased 5000 bu while they had been decreasing right along; and we anticipate a change to an increase in the visible supply next Monday. However te weight of hedging sales has not been felt so far. The open iterest increased slightly yesterday, about 517,000 bu, but being oly 55 million bu it is extraordinarily small for the time of the yar.

After a very strong opening and a further rise during the sssion, there was some reaction during mid-day. We have had contnuous advances now for some time, and the trade still feels that a god soaking rain, should it come, might find the market in a reasnably vulnerable position. However at present there is nothing in sight to forecast this change in weather. At the close wheat showed a advance of 3/8¢ per bu for the July future while the September avanced 1/4¢ per bu.

Trade in corn was only moderately active; sharp gains were rcorded when wheat became strong, but at the close there were recessions from the best figures of the day. It was reported that firly good rains had fallen in parts of the belt.

Oats and rye likewise were strong at times, but reactions i wheat also influenced these cereals, shading best prices of the dy.

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DAILY MARKET LETTER

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CHICAGO June 24, 1936.

Liverpool wheat cables were slightly higher before our session opned but they weakened before the close, futures there finally showin a decline of 3/8 to 7/8¢ per bu. Foreigners who are interested in heat values are watching the North American situation just as closely as we are, except that they are influenced more by the Canadian than the United States' crop outlook. Any advance or decline in Winnipeg futures will immediately be reflected in European markets unless there would be important contrary news from other quarters in the meantime. Their price level also will depend upon the outcome of crops in the Balkan states, which are extremely promising at the present time; also Russia, which may become an exporter, promises a good crop of winter wheat, with a large area of spring wheat in eastern Russia deteriorating at the moment from lack of sufficient rain; the final outcome of all Russia will depend upon whether moisture will be furnished in time where it is needed.

The weather overnight everywhere in the United States was very dry again, and temperatures reasonably high, all of which is not very encouraging, particularly for the spring wheat crops, which, in the four northwestern states, have suffered so much already. The official weather forecast also gives little encouragement for any change during the next twenty-four hours, but a great many private forecasters believe that after that there might be some moisture, and in the meantime cooler weather is in sight.

The market was more two-sided than of late. The general opinion prevails that present damage has probably been discounted in the price, provided the Canadian crop, which at the present time is very promising, will not have great setbacks during July, such as it did last season. Such a disaster, of course, would change the whole world picture. So far Sanford Evans, as late as June 22, is very optimistic on the results of the Canadian crop, and we quote from his report as follows: "Further heavy rains were general in the Prairie Provinces during the first part of the week ended today, relieving hitherto drought-stricken areas of northwestern Saskatchewan and northeastern Alberta, as well as improving the general prospect. Much of the loss occasioned by the previous spell of drought and heat has been repaired and permanent damage, while severe in some districts, is localized. Stooling and growth are reported favorable."

The temporary setback to fast advancing prices is also a reason that speculation on the constructive side is still very limited. The open interest decreased again yesterday 1,531,000 bu and has been reduced now to 53,554,000 bu, a new low record.

The movement of new wheat from the Southwest is increasing very fast, four points, Wichita, Enid, Hutchinson and Fort Worth received 691 cars. From all reports we are receiving the quality is almost the best that has ever been seen, wheat testing from 61 to 6 lbs, and of high protein quality; therefore, very desirable for milling purposes. As a rule such high test indicates large crops, but yet one of the most reliable concerns in Kansas City, the Robinson Elevator Company, does not increase its estimate of the Kansas crop, and believes it will amount to about 137 million bu. They recognize the fact that while yields have increased in some parts, some damage has occurred to the late wheat on account of the excessive heat and drought during the past week or so.

Primary receipts continue to increase very rapidly, amounting today to 914,000 bu compared with only 208,000 bu last week and 25,000 bu last year. Stocks at Kansas City, Duluth and Minneapolis so far this week decreased only 227,000 bu. Some sharp traders seem to have noticed for the first time increased hedging sales, but we do not believe the full effect of same will be sufficiently felt

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until the movement, which is now taking place in several southweste states, will be added to by sales from Nebraska, Illinois, Indiana, Ohio, etc. When the whole winter wheat movement is in full swing we expect large increases in the visible supply, and millers alone cannot take care of the farmers' sales during these periods; consequently new speculative buying will be needed.

After many fluctuations, with more caution being exercised before traders take a definite stand, the close of the wheat market brought only trifling changes --1/8¢ per bu lower for the July delivery and 1/8¢ per bu higher for the September.

It is not assumed that the corn crop has suffered as yet muc damage from dryness, although it needs rain in most areas. However a more critical period is approaching, and as yet it is impossible to predict what the final yields might be. There is no question that with more animals on farms now, a greater consumptive demand will prevail. Price changes were rather narrow. Oats and rye also did not fluctuate much.

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CHICAGO June 25, 1936.

There was again practically not a drop of rain any where on
e weather map, either in Canada, or our Northwest or the central
tates; and as moisture is so badly needed everywhere for all cereals
t gave us a considerably higher opening. This despite the fact
at the Liverpool market continues to display great weakness and
heat futures there declined from 1 1/8 to 1 1/2¢ per bu.

As long as Europe is so very indifferent, even when the outlook
n the United States remains bad and the danger still exists that the
resent promising outlook in Canada might not be maintained, it is
air to assume that the importing world figures on getting larger
pplies the coming season from other places. Crops in central
rope generally promise to be smaller than in 1935, but as there
ere good carryovers in many of them it is not likely that the demand
ill be much in excess of that of the past season. The one sure
ource of abundant supplies is the Balkan countries, where the out-
ok is excellent. Russia still remains an uncertain quantity, al-
hough it is almost sure that the winter wheat crop is turning out
ery well, with some doubt about part of the spring wheat crop. Further-
ore, while it is too early to make any predictions about the Argentine
rops, a failure such as they had last year is so extraordinary that
t happens perhaps only once every 20 years, and is not likely to be
epeated; consequently larger supplies from the Southern Hemisphere
re also looked for with great confidence later on.

Europe is fully aware that there will be no sizable exports
rom this country, and we also might just as well reconcile ourselves
o the fact that we shall probably again be more of an importing than
n exporting nation. With Winnipeg July selling approximately 30¢
er bu under Minneapolis July, and with the big premiums existing for
hoice high protein wheat in the Southwest, we assume that importa-
ions are again taking place daily, although for the week ending
une 20th duty was paid on only 298,000 bu. However we think im-
ortations in larger quantities have taken place since. Should the
anadian crop turn out as it promises at the moment, without further
eterioration, (a crop of 400,000,000 bu is estimated) it is quite
ikely that the Winnipeg market will have to decline to such a point
at last year's importations to the United States of 30,000,000 bu
more might be repeated. This is probably the reason why our wheat
arket at the present time is hesitating. It seems to us that inasmuch
s such a large part of the spring wheat crop is beyond recovery, and
ince we know about the size of the winter wheat crop, the greatest
nknown fact will be the Canadian crop and the final outcome of this
ight be the determining factor in the world and our price level.
erefore the weather there is also being watched with the keenest
nterest. Temperatures were high, but there is some possibility of
ains in two of the provinces, Saskatchewan and Manitoba.

Fluctuations were frequent, the early advance could not be main-
ained and the close showed an advance of 3/8¢ for July future while
e September was unchanged.

Primary receipts continue to be large, 1,026,000 bu versus
33,000 bu last week and 322,000 last year; but the bulk of these
eceipts were at two points: Kansas City and Wichita, which received
09,000 bu. The movement at interior points is very large, Wichita
aving 306 cars; Enid 166; Hutchinson 197 and Saline 177 cars. The
heat is all of the very choicest quality high protein and so far has
een in urgent demand by millers. However, on the assumption that
ansas and Nebraska will raise 190,000,000 bu of wheat, we think
e movement will last for a very long time, and later terminal
ocks will commence to increase. So far this week Kansas city,
uluth and Minneapolis show a decrease of 342,000 bu.

There are still many spots where rains are urgently needed for
th corn and oats. So far the damage to corn has been little, but
all know that vegetation needs moisture for the best development,
erefore some apprehension is being felt at present. Price changes,
wever, were small. The same refers to rye.

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CHICAGO June 26, 1936.

Those who had great faith and took too literally the old blical story that crops will be sown and will be harvested, must ve felt great disappointment during the last four years, at least the United States. They probably overlooked that there were also, cording to the old testament, seven lean and seven fat years. The eat crop in the United States certainly will be the fourth one of tremely poor yields. The last big winter wheat crop was harvested 1931 producing 818 million bu. This was followed in

1932 with 478 million bu
1933 " 351 " "
1934 " 405 " "
1935 " 433 " "

Assuming that this year's winter wheat crop will approximate, r argument sake, 500 million bu- while larger than the last four ars, will compare very unfavorably with preceding periods.

The spring wheat crop doesn't show up any better. Average rops 1928 to 1932 were 242 million bu;

1933 spring wheat crop was 178 million bu
1934 " " " " 91 " "
1935 " " " " 170 " "

An average of - 146 " "

nd while nobody can yet tell what it will be this year, the chances re it will not be much in excess of this average. This statement we hink will hold true although the harvest is still five to six weeks way; but from the latest reports, damage in the chief states, the akotas, is so great and the outlook so hopeless, that even with avorable weather from now on only a small part of the damage done ould be repaired. Of course there are always some spots which are ubject to improvement, but hopes are now mostly concentrated that here will be no further deterioration.

There was some precipitation overnight in North Dakota, but t was not at all general and only three points indicated moisture ver one-third inch. On the weather map, Minnesota, South Dakota nd Montana show even less moisture. However more precipitation is n sight, also cooler weather; and even the slight encouragement had he effect of lowering prices, but no sharp breaks took place in iew of the opinions held which we have expressed above, that even opious rains are too late to very materially change the crop outlook.

The situation in Canada, however, is very much different. hile it is reported that of late considerable damage has been done, educing the outlook about eleven per cent, yet the previous estimates ere so high -- close to 400 million bu --that a crop of 360 million u is still a possibility; and in fact with favorable weather, is ubject to further improvement. There were some rains in Canada and ore are in sight, which, if they materialize, will be highly favorble.

With supplies in the United States now so closely adjusted etween consumption and production, the size of importations into his country will be the determining factor in the price level. Our orthwestern millers will have to draw supplies from everywhere. We nderstand they are already buying Pacific coast wheat, absorbing a ood deal of the new arrivals in the Southwest and are also importers rom Canada.

Liverpool again showed great weakness declining from 3/4 to 1/8¢ per bu. Shipments from Australia were very light, only 584,000

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bu, compared with 2,022,000 bu similar period last season; and Argentine clearances were 1,301,000 bu vs. 3,121,000 bu last year.

As North American shipments probably will be less than 6 mil lion bu, it is evident that the closing week of this year's crop will show no change from the disappointingly small world shipments during the whole year. We, therefore, must assume that the small consumption in the importing countries still continues, but being on an entirely domestic basis, this will have only an indirect effect on values here.

Primary receipts today were quite heavy, 1,215,000 bu compared with 460,000 bu a year ago. The bulk is entirely in the Southwest, Wichita alone today contributing more than all the repor- ing points last season. Stocks at Kansas City, Duluth decreased far this week 224,000 bu; last year the decrease in the visible su- ply was 1,631,000 bu, and it would be our guess that it will be ver much smaller next Monday.

The open interest increased slightly yesterday, but it is st less than 55 million bu, and we think today for the first time the pressure of hedging sales was felt. At the close wheat showed a decline of 2 1/8¢ per bu for the July delivery, and 1 7/8¢ for the September.

Corn was independently strong for the new future. It is gen erally feared that there is lack of moisture which will have to be relieved soon.

Oats and rye were greatly influenced by the weakness in whea

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DAILY MARKET LETTER

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CHICAGO June 27, 1936.

Wheat quotations at Liverpool were fractionally lower at the start, probably influenced by declines in North American markets yesterday. However they closed firmer, at an advance of 1/2 to 3/4¢ per bu. We believe that this occurred as a result of Broomhall's estimate of the European wheat outlook. He tentatively places the crop in all countries, exclusive of Russia, at 1,467,000,000 bu, or a reduction of about 90 million bu from last year's crop. He also called attention to the fact that Australian offerings were drying up, and that wheat reserves were rather small. Therefore it must become apparent to European buyers, the same as to traders in this country, that the next important development will be the outcome of the Canadian crop, since that country holds in balance, to a large extent, future wheat prices inasmuch as any material reduction from the present estimate would change the entire outlook.

The foreign demand is very slow at the moment, and small clearances are again expected to be shown on Monday. It is certainly not the urgency of the present demand which brings about even temporary firmness abroad, but rather fears as to the future, particularly in view of the deterioration which took place so quickly in the American Northwest.

At the present time it is acknowledged that weather in Canada is generally favorable for the coming crop; moisture is about 85 per cent of normal, although some areas will require rain very soon now for the best development of the plant. The forecast is fairly optimistic, and suggests that Alberta and Saskatchewan may receive some relief over the week-end.

As far as our country is concerned, the spring wheat crop is probably too far along for even generous rains at this time to bring about much improvement. Temperatures in many districts have been quite high, and the weekly outlook only suggests one or two local showery periods. In spite of all this, our market has not been able to maintain advances over those which prevailed a week ago; this we feel is mainly due to the fact that the movement in the Southwest is enlarging, and undoubtedly bringing fresh hedges into the market. Receipts today were about the best they have been so far, and indications further point to even better arrivals in the Southwestern markets next week.

In view of the fact that Kansas and Nebraska were favored not only with timely rains but also enjoyed cool weather until about two weeks ago made it possible for tremendous recovery over earlier expectations. With this the case, it is quite possible that the movement from the large yielding areas will probably be a market factor for some time to come, and may even at times have a depressing influence upon the market. What the final level of prices will be depends largely, in our opinion, upon whether or not Canada produces a large crop. Should the present promise find fulfillment, we expect that there will be generous shipments later on from that country to the United States. Therefore we can see where our market may continually have a ceiling over it preventing extremely high prices.

Primary receipts were large and amounted to 1,542,000 bu compared with only 411,000 bu a year ago. Stocks at Kansas City, Duluth, and Minneapolis show a total decrease of 660,000 bu. However decreases in the visible supply will soon come to a halt in view of accumulations which are taking place in southwestern markets.

At the close wheat values showed a decline of 3/8¢ per bu for the July wheat, and 1/2¢ per bu for the September future.

Corn was comparatively firm, although influenced at times by the weakness of the leading cereal. There had been some scattered moisture in Illinois and Iowa, but on the whole dry soil conditions prevail; and the forecast did not indicate very much relief.

Oats and rye were fractionally higher, but trade in these grains was only moderate.

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DAILY MARKET LETTER

MEMBERS:
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CHICAGO June 29, 1936.

We hear of no encouraging reports on the spring wheat crop. It s true there was some precipitation in Minnesota and some in North n South Dakota, but with the high temperatures existing, the relief s only temporary. There is some question whether even heavy rains would not be too late to improve crop prospects materially, but at est they would prevent greater deterioration and would not necessi- e a still further reduction in estimates of probable yields. In h Southwest where harvesting has been going on for some time, and re the movement in many parts is in full swing, the quality of the hat is exceptionally fine, the test weight being very heavy and the otein content very high.

All this ordinarily would indicate heavy yields, and probably ops in Kansas and Nebraska will fully come up to expectations, al- ough in the late sections where the heat was so intense there might some lighter test wheat and poorer yields.

The news in general would have been considered as rather bullish, the trade remains extremely light, and hedging sales are commenc- to be felt. The total turnover in wheat on Saturday was less than 2 million bu, and the open interest is still at the low figure of 6 million bu.

Receipts in the Southwest were simply trmendous; Kansas City re- ceived 844 cars and Hutchinson 772 cars. Total arrivals at eight uthwestern points must have amounted close to 4 million bu. Primary receipts amounted to 2,756,000 bu compared with only 783,000 bu ilar day last year.

Regardless of ultimate wheat values it remains to be seen now hether enough buying power will be developed to absorb these heavy edges which are bound to come into the market. Early in July Illinois n Indiana will add to the pressure. Much naturally will depend pon the fina l outcome of Canada, which in turn will affect the ropean situation and foreign markets. In other words, more bull ews might induce sufficient new speculators to temporarily absorb the dges, provided they feel confident that in the long run wheat is cheap enough based on the outturn of crops.

In the meantime importing countries so far show no anxiety what- soever over obtaining necessary supplies. Liverpool futures closed 2¢ per bu lower on the October, and 3/8¢ per bu higher on the ecember. This, in spite of the fact that the exportable surplus from stralia has been reduced to the insignificant figure of about 12 llion bu. They also were evidently influenced by the extremely lo consumption; world shipments this week declined again, being 7576,000 bu compared with 9,608,000 bu in 1935.

For the 12 months total clearances from all exporting countries e only 454 million bu of wheat, (probably the smallest in over 25 ars) against 514 million bu last season, or 60 million bu less. It easily be seen that regardless of our domestic situation the world l present a very sad spectacle unless consumption increases. In rmal years the Southern Hemisphere alone could export 250 million bu wheat during twelve months, Russia, the Balkan states and sundry ntries could easily furnish 100 million bu more, so the demand on ada might not necessarily be in excessive amounts.

The visible supply decreased this week 1,451,000 bu, to approxi- ely 22 million bu, and we are starting the new year with practical- the same amount as a year ago, or actually only 500,000 bu less. presume that from now on there will be steady increases in the sible supply, but not for as long a duration as normally in other

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years, as the spring wheat receipts usually become heavy just at th time the winter wheat movement stops, but this year with the short crop we do not look for any very heavy spring wheat receipts at terminals at any time.

Local stocks decreased 378,000 bu, and are now 3,659,000 bu, with a bigger carryover than the trade had figured on recently. It shows that there was no justification for the high premiums which have been existing for the May future for such a long period, there having been no scarcity of old wheat. We are inclined to believe t Chicago will accumulate a fair stock now. If this should prove to the case, there might be much better carrying charge between Septem and December wheat than at the present time.

The open interest in December wheat is only 12,858,000 bu, ar as new buyers are more likely to trade in that future, a gain over the others might easily occur. At the close wheat prices were 1¢ per bu higher for the July and 1 1/8¢ for the September. The extreme and continued strength in corn was an added influence in firm up wheat prices.

There were not sufficient rains in the corn belt to relieve t situation, and with such a poor start of sub-soil moisture great fe persist in case we should get our usual hot weather in July and August. Corn prices closed considerably higher, and also were an influence in boosting rye prices.

Oats were comparatively neglected, with small changes.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
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CHICAGO June 30, 1936.

There were practically no reports of important moisture in the ur northwestern states. However temperatures are cool and satis-actory for the season. There were some scattered showers in parts the Canadian provinces, with more forecast for tonight and ednesday; this is really more important, as the United States spring heat crop has been hurt so much already that all calculations are ased on extremely low yields. Canada still promises a crop of 350 illion bu or more, and if this result should be obtained she will be ble to supply any deficiency in the world, including the United tates.

Liverpool wheat cables continue to show great weakness, futures here declining 1 1/8 to 1 3/8¢ per bu.

The movement in the Southwest remains heavy --eight points re-eiving 1,507,cars, or almost 2 million bu. Primary receipts were ,266,000 bu compared with only 459,000 a year ago. It is true, so ar heavy purchases of new arrivals are largely made by millers who ad sold flour ahead and are now covering against same. Nevertheless his wheat is being largely hedged in order to offset previous pit urchases which had been effected when the flour sales were made; and this extent it exercises momentarily a depressing influence, as ew buyers do not seem to be over abundant. This caused a decline in alues here --July wheat closing 1 1/2¢ per bu lower than yesterday, nd the September 1 1/4¢ per bu lower.

Opinions on ultimate prices, however, have not changed very aterially. We are likely to have a situation much the same as last ear when supply and consumption offset each other. A material hange could occur if the Canadian crop should turn out so large hat prices would decline sufficiently to make heavier importations ore tempting. There also is no unanimity as to the size of final ields for Kansas and Nebraska. The Atchison, Topeka and Santa Fe ailroad in its monthly crop summary gives Kansas only 135 million of winter wheat, which is not very much more than the last govern-ent report. However other students of the situation claim that uch high-test wheat and such choice quality, as arrivals show, al-ays is a sign of heavy yields. We believe there are just as many, r more estimates on Kansas for 150 million bushels as below that igure.

So far the new arrivals of wheat in the Southwest found ready uyers at good premiums over the future, but whether this will continue emains to be seen, as within about two weeks Nebraska, with its eavy yields will also enter the market as a seller.

The Canadian carryover, while much reduced compared with last ear, will still probably be quite substantial on August 1st. As f June 20, it was estimated there were about 173 million bu of wheat eft; and with six weeks to go, this would indicate that there might till be on hand 135 to 140 million bu on August 1st. These figures re also based on the Government's crop estimate of 277 million bu. his must have been a wonderful guess, as apparently the present alance left for marketing is 5,443,000 bu, and based on last week's armers deliveries this would be just about the amount which will ome forward between now and August 1st.

Deliveries on July contracts tomorrow probably will be very ight, as so far tenders have been made for only 7,000 bu.

There were showers and thunderstorms at scattered places in the orn belt, with more predicted for tonight and Wednesday over the entral states. This caused a considerably weaker feeling on the ew corn crop futures, but the nearby ones remain comparatively firm. rimary receipts of corn continue to be large, being 995,000 bu today, gainst 329,000 bu in 1935; but so far we have been unable to ac-umulate much anywhere, either in the visible supply, which is only ,301,000 bu, or in Chicago, where total supplies are 1,870,000 bu. rom now on we have to figure on a much increased consumption, owing o the greater amount of animals which have to be fed. It is, there-ore, quite evident that we can absorb a pretty large corn crop. With xtremely favorable weather from now on, not enough damage has as yet een done to the crop to fear that we might not still raise a very ood crop on the much larger acreage.

Oats were very weak for the nearby delivery on account of liqui-ation. Rye also suffered with the other cereals.

Tenders have been made for 16,000 bu of corn, 719,000 bu of ats, 253,000 bu of rye, and 20,000 bu of barley.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO July 1, 1936.

When our session opened today overnight news on wheat was suf-iciently bullish in many respects that opening prices immediately wer onsiderably higher than the closing of yesterday. Liverpool cables ere much higher than expected, advancing further during the session, nd finally showed a gain of 5/8 to 2¢ per bu, although the great trength was only in the nearby, or rather the cash future. It seems eliveries were very small on their July contracts, and with the small tocks at Liverpool and the light world shipments the European situa-ion is strengthening. The only hope on part of foreign millers and onsumers still is that Canada might produce a very much larger crop han last year. Therefore any deterioration in Canada would have a reat and immediate affect on world prices.

There was light scattered precipitation in practically all hree provinces, but in many places which have been missed lately, eavy rains are needed for best results. Some few showers are pre-icted for Canada, but, of course, much will depend upon the quantity hich will be received.

For our own judgment we rely on Sanford Evans' reports more than nything else; and he writes under date of June 29th, as follows: Rain is needed over the Prairies and urgently in many important areas t is apparent that deterioration has been going on steadily in outhern districts due to the spell of heat and the absence of ad-quate rainfall, although the major portion of the acreage is still romising." Our conclusion remains that present prospects in Canada re still promising for a good-sized crop, but whether this will be ealiz ed or not will depend upon the weather during the month of uly; nobody is able to predict same.

As far as the United States is concerned, it is becoming daily ore apparent that estimates on the spring wheat yields will have to e reduced further. At the present time it is difficult to mention ny figures, except there is no doubt but that final results might ome as near being a disaster as anything else. What would have appened had the Southwest not recovered, is difficult to tell, as uring the month of May prospects were for a very small crop. As it urned out, there is at least some compensation for the shortage in he Northwest. Views are still very optimistic about enormous yields n the largest parts of Kansas and Nebraska, to which also Missouri ill have to be added. However at best we cannot now expect to raise ore than our normal consumption, and for absolute safety, we will robably become importers of Canadian wheat on a scale possibly larger han last season.

During the past week, ended June 27, 1,266,000 bu had been im-orted, with duty paid; this compares with 298,000 bu the week befor nd 148,000 in 1935. We are thoroughly convinced that much larger uantities have already been bought in Canada for milling consumptio n the United States.

Receipts in southwestern points are still very heavy, nine tations reporting as much as 1,820 cars, or about 2 1/2 million bu. rimary receipts were 1,814,000 bu versus only 650,000 bu a year ago. lthough so far this week stocks show but moderate increases, Kansas ity showing only an increase of 88,000 bu for two days. We expect owever, that when the grain is all unloaded the visible supply ne onday for the first time will show a very heavy increase. During ext week we also anticipate that both Illinois and Indiana will joi he states which will have wheat for sale, and that hedging sales re bound to be on the increase. Of course it is possible, but not ikely, that millers will absorb the largest share, but it would be ery exceptional year if the visible supply would not increase very eavily between now and December.

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As in speculation, the time element is always very important so it is still questionable whether there will not be better opportunities for investments in wheat than at the present regardles of ultimate values. This particularly so, as up to now the outsid interest has been very light, as evidenced by a further shrinkage the open interest yesterday of 439,000 bu, reducing same to 55,600 bu. It is our impression that for the first time the East today w a very heavy buyer here, and this might possibly be the beginning greater participation on the constructive side of the market.

At the close wheat showed an advance over yesterday of 3 1/8 per bu for the September, the leading future.

As far as corn is concerned, the situation remains unchanged while receipts are heavier the demand remains very good, and there seem to be no accumulations to exert any pressure. Primary receipts were 754,000 bu against 880,000 bu last week, and it all ap pears to be wanted. There were fair rains in the corn belt in Illinois, aswell as in Nebraska, Missouri and Kansas, but as Iowa was missed bullish sentiment in the new crop future increased, wit sharply higher prices.

Oats and rye also gained quite heavily in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO July 2, 1936.

Excitement ran high in all grain pits today. Trade was confonted before the session opened with extremely strong Liverpool cbles and higher prices for their futures than were expected. The srength at Liverpool kept up, with futures finally closing at an advnce of 3 1/8 to 3 7/8¢ per bu.

Europe is very much impressed with the deterioration going on i Canada, as they depend more than ever on that country for their spplies, at least for six months, until wheat crops in the Southern Hmisphere are available.

There were no rains in our spring wheat territory to speak of, bt at least in one of the provinces in Canada, Saskatchewan, there ws some fair precipitation. Temperatures everywhere are very seasona., with no extremes. However where rain is so badly needed and with te forecast both for Canada and the United States indicating mostly fir weather for the next twenty-four hours, opinions on the final atcome of the spring wheat crop became more pessimistic.

The first private report on estimates of the wheat crop in the lited States was given to the trade today by E. H. Miller. Accordng to this report winter wheat yields will be 521 million bu and sring wheat yields, including durum, 132 million bu, or a total crop c 653 million bu compared with 603 million last year. The chances re that nothing much can happen now to the winter wheat crop, but he spring wheat yields are still subject to fluctuations, depending pon the weather. However if we make our calculations on that basis e come to the conclusion that our crop is about equal our consumption, ich would indicate a carry-over next July much the same as this eason. This year's crop will compare with 603 million bu in 1935 an hat year we imported about 31 million bu and probably had to draw n our reserves for 15 to 20 million bu. The way it appears now with nneapolis July wheat selling approximately 35¢ a bu above Winnipeg ly wheat, importations will continue on a large scale. Of course is possible, in fact quite likely, that Winnipeg might have been omewhat higher had it not been that the maximum advance in Winnipeg s limited to 3¢ and very little wheat was available after the hicago market became so strong.

The only crop left now in North America where the results rom now until harvest (about 4 to 6 weeks hence) could change mateially is the Canadian, and as July is the critical period, much will epend upon weather conditions there from now on. A decided lowering f yields would create a very strong world situation in general.

To illustrate the insignificance of supplies from other counries at the present time, we wish to point out that Argentina cleard only 1,102,000 bu versus 3,161,000 bu in 1935. Black sea shipents were only 96,000 bu against 296,000 bu last year. Of course ith the good prospects in the Balkan countries and with much higher rices, there might be surprises in heavier shipments from there soon, s well as from Russia. This latter country always remains the unnown quantity and it is difficult to obtain accurate information.

As we anticipated yesterday public interest in the market is nlarging and the open interest increased 1,223,000 bu, making the otal 56,823,000 bu. Of course an increase such as this is probably arger than the additional hedging sales, but those will come now very day; and it remains a question whether after such sharp adances new buyers can be found readily. The open interest in July heat had been reduced to 10,671,000 bu and as there was a tremenous amount of buying today in that future, we assume that a large art of the advance might be contributed to short covering. It apears to us that with all the punishment to which short sellers

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have been subjected that the remaining shorts have now been reduce to a minimum.

In the meantime receipts at interior points in the Southwest continue to be very large, amounting today at nine points to 1,713 cars. Primary receipts were also heavy, 1,781,000 bu, while only 642,000 bu of wheat has been shipped. So far Kansas City shows an increase of only 133,000 bu for the three days, but from now on we expect very heavy increases when all the grain is unloaded and loo for a big increase in the visible supply next Monday.

Reactions during the whole day were only of minor importanc when about one-half hour before close of the Exchange, it was wire from Winnipeg that the limits which prices could advance or declin in one day would be raised to 5¢ per bu, it caused new heavy buyin The trade concluded that Winnipeg is prepared for bigger advances a single day than they have had so far.

At the close our wheat market showed an advance of 5¢ per b compared with yesterday, the maximum permitted under our rules.

There being no rain reported in the corn belt, the yellow cereal, as well as oats, showed fresh sharp advances. Primary receipts of corn were 762,000 bu, while almost as much was shipped - 717,000 bu. The corn crop as estimated by E H Miller at 2,295,00 bu would be only 92 million bu larger than a year ago, and undoubt consumption will be much greater as there are more animals to fee

Rye also closed considerably higher in sympathy with the ot cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO July 3, 1936.

The extreme weakness of Liverpool cables had a great sobering ifluence on wheat values at the opening of our session. A very bullih sentiment prevailed at our close last night, reaching a point were futures could not be purchased, having advanced the limit permssible in one day --5¢ per bu. Liverpool futures at their close d declined 1 1/4 to 1 5/8¢ per bu; therefore, they paid very little atention to the strong North American markets.

The foreign statistical situation hardly justified such great ssimism on prices. Argentine shipments were only 929,000 bu compared th 3,161,000 bu last year, and Australian clearances were 524,000 b versus 937,000 in 1935. Nobody can remain in doubt that, at least fr the first six months of the crop year, foreigners will depend upon Cnada to furnish the bulk of their requirements, although probably te Danubian provinces, as well as Russia, might be moderate contibutors, but certainly not to a very large extent. Broomhall etimates that the entire Danube basin is expected to furnish only 60 t 70 million bu for export. Therefore the size of the Canadian crop wll become all-important. The average private estimate on same for te three prairie provinces, not including the eastern part of Canada, i 343 million bu. This compares with a crop last year of 259 million b, or 84 million bu more. Inasmuch, however, as the carryover probbly will be 75 million bu less, Canada would have about the same qantity to spare for export as she had a year ago, but naturally she culd reduce her carryover still very heavily, as it will amount to mre than one year's home consumption; and it is not necessary to kep such a quantity for emergency.

There were no rains overnight in the spring wheat belt, either i this country or in Canada, but prospects are supposed to be more fvorable for showers within twenty-four hours, according to predctions. The trade, however, is very skeptical, because so many tmes during the last three or four weeks when moisture was expected, fnal results were unsatisfactory. It is difficult during the summer mnths, even with barometric indications pointing to moisture, to gess just the quantity which will be received. Therefore after a dcline of about 2¢ a bu, a strong reaction took place, the close on Jly wheat being unchanged compared with yesterday, while the September fture was 1/2¢ per bu lower.

The estimate of private experts on the combined winter and sring wheat crop of 631 million bu was not much of an influence. Tese figures might be changed 10 or 20 million bu more or less. The tade is fully prepared that we shall raise barely enough for home cnsumption, and that we shall again depend upon moderate importations, sme already taking place almost daily we believe.

The market demonstrated clearly today that there is not a dangrous long interest existing at the present time. Open interest yestrday had been reduced again 830,000 bu, and now amounts to about 5 million bu. Therefore there is no immediate pressure in sight, ad same could only come through heavier hedging sales.

Primary receipts today were heavy, almost 2 million bu, and for te week amounted to 9,613,000 bu whereas a year ago they were 3436,000 bu. This points to a heavy accumulation of stocks soon, ad we shall probably see the first large increase in the visible supy on Monday. With a holiday and a Sunday intervening between now ad the next session, we look forward to very heavy receipts on Monday, ad probably the first important hedging sales on this crop. Should averse conditions in the meantime justify a higher level of prices tey might be absorbed, but at least it will be a more two-sided mrket than we have had lately.

Seldom have we seen such various appraisals of the value of weat in the different markets. Chicago July wheat closed tonight at 100 7/8 or 9 5/8¢ per bu higher than Liverpool. This in itself is etraordinary, but probably justified on account of the changed condtions. This country is no longer an exporter, raises hardly sufficient for our own consumption, and a domestic price probably will eist during the whole crop year. Minneapolis July wheat closed

(O V E R)

at $1.16 3/4, or 16¢ per bu over ours, which is a big premium par
ularly as that market has to compete with the Southwest; Kansas C
July wheat is selling at 96 3/8¢, or 20¢ per bu lower than Minnea
Again Winnipeg July wheat closed at 87 1/2¢, or 29¢ per bu under
Minneapolis putting it undoubtedly on an export basis to this cou
on various grades, in spite of the 42¢ per bu duty. Their wheat a
ways brings higher prices than United States wheat; even at
Minneapolis choice wheat is bringing a good premium over their fu

Corn, oats and rye all declined early in sympathy with the
sister cereal, but recovered when greater strength was shown in
wheat. The corn belt still needs rain very badly, but with fav
able weather from now on we could raise a very fair-sized crop.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO July 6, 1936.

While our session was closed Saturday, July 4, Winnipeg and erpool markets were open, and everything was very serene with hardany fluctuations. Therefore a sudden reversal of sentiment at erpool this morning was responsible for the great excitement here, futures at Liverpool advanced from 4 3/4 to 5 5/8¢ per bu, which quite sensational. This was all due to their appreciation of the t that the Canadian crop, on which they depend so largely, is not made, and with no precipitation during the last seventy-two hours, re at least moderate showers had been expected, further crop losses bound to be reported.

It is too early yet to estimate the size of the Canadian crop, much will depend upon the weather, their harvest being so much later n ours. But the fact has to be recognized that a bumper crop which in sight earlier is out of the question,--even an average crop unlikely, --although as yet no actual crop failure is in sight, and probabilities are still for better results than in 1935. How much e wheat will finally be harvested remains a problem and tremendous ertainties will exist until the moisture question is materially reved. In the meantime neither the immediate forecast nor the weekly indicates much precipitation. In our Northwest weather elements o continue to be unfavorable and final results of the spring wheat p may be considered a calamity.

Europe has not profited in any way from this advance by anticipat- it and laying in supplies, as world shipments continue to be light, kly clearances being less than the consumption, reducing their ual stocks still further. All European countries imported this week y 6,183,000 bu compared with 7,102,000 bu last year, when they were o considered extremely light. Broomhall reiterates his previous tement that the world statistical position is undoubtedly working o a firm position, with reserves being constantly reduced. The ld carryover on July 1 was supposed to be only 635 million bu versus 5 million bu a year ago.

The combination of all this bullish news gave us an extremely m opening and about two hours later wheat had reached a point which resented the maximum advance permitted in one day: namely, 5¢ a hel, after which time purchases could no longer be made except in ery small way, and sellers were naturally unwilling to accept the ce at which there were innumerable buying orders which could not filled.

The statistical news was just the opposite from the weather, ng extremely bearish, but under the circumstances, the weather is much more important that the former had no immediate effect. Ten tern points, including Chicago for three days with two holidays, eived 5,769 cars, which probably contained over 8 million bu. mary receipts were 6,403,000 bu against only 818,000 a year ago. visible supply increased 2,728,000 bu, while in 1935 it increased y 173,000 bu; and is now 2 million bu larger than it was then -- 4678,000 bu.

The most remarkable thing during this whole period is that the n interest is not increasing. In fact, it decreased again 306,000 last Friday, to the comparatively insignificant amount of 55,687,000

It is quite evident that outsiders have not participated in the ement so far. It remains to be seen now whether at the higher el, with the reduced crop prospects, interest can be generated m now on.

The corn situation is parallel to that of wheat. The dry weather the corn belt is creating fears as to the final outcome of the crop. re is one important thing which is different at the present time: le the spring wheat crop has suffered irreparable damage, this can- as yet be said of corn, and favorable weather from now on might ll enable us to raise a good average crop.

Oats and rye advanced sympathetically with the other cereals; but o on their own merits.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 7, 1936.

It was not necessary to study the weather map early this morning i order to be informed of what was going on, as the front pages of te newspapers had long articles about the torrid blasts all over te wheat and corn belt. A record breaking heat wave visited many pints everywhere and high temperatures were reported in many places sch as were almost unknown before, maximum temperatures varying from 16 to 119 degrees in North Dakota; and in South Dakota and Minnesota a various points from 110 degrees upwards. Furthermore there was pactically no rain anywhere to relieve the situation. Considering tat the month of June was more deficient in moisture than the dought-stricken area in 1934, there were fears of a calamity.

Liverpool market was strong again, closing 1 7/8 to 2 1/4¢ a bshel higher, fully appreciating that the world price of wheat will dpend upon the final outcome of the Canadian crop.

Fortunately the outlook ih that country, while great deterioration hs taken place, particularly during the last four days, is still very fir and temperatures are much cooler than in our Northwest and one rporting statinn in Alberta had been favored with almost a quarter o an inch of rain, bringing some relief in a limited territory. The pcture during the next twenty-four hours in Canada is not altogether dscouraging, although not particularly hopeful. The forecast for Mnitoba is for not quite as warm with possibly scattered thundersorms in the south portion. For Saskatchewan and Alberta moderately wrm weather is predicted for both today and Wednesday with probbly a few scattered thunderstorms. 'This, of course, does not indcate much moisture but might possibly bring some relief. Other sudents of the weather map think it not unlikely, judging from the brometric indications, that there is at least a possibility that dring the next forty-eight hours there might be some change from this vry dry period; but there have been so many disappointments in this drection this year that not too much reliance can be placed on this. Nvertheless one always has to be prepared for changes, as they sometmes come very unexpectedly.

In the meantime receipts at interior points in the Southwest contnue to be heavy, considering everything. There were 1,756 cars today, vry much less than yesterday, but considering that Saturday and Snday were holidays when not much could be loaded it represents quite a large total and no doubt will be much heavier again for the balance o the week. Primary receipts were 2,514,000 bu compared with only 41,000 bu last year, but despite this heavy movement premiums are vry strong and were fully 1¢ higher in Kansas City, although that mrket attracts the largest quantities. Northwestern millers are so mch impressed with their situation that they are very heavy buyers i the Southwest and no doubt consumers are also very much scared now ad must be buying on a very liberal scale. Nevertheless there wll be increases in stocks right along. Kansas City so far for one dy shows an addition to its stocks of 321,000 bu.

Trade yesterday was very heavy considering that the maximum price hd been reached almost two hours before the close and amounted in all creals to 47 million bu. It is our guess this figure will be much eceeded today, but it remains a striking phenomenon that the open iterest still stays so very low, being only 56 million bu last night. Wth all the uncertainties existing everybody will be more anxious tan ever for a further guide as to values which will be furnished by te government's estimate on next Friday of the combined crops. It i generally conceded that the winter wheat crop will be close to 50 million bu. The spring wheat crop naturally will be very small ad possibly 125 million bu might be an outside figure; but there mght be some surprises as there have been very frequently. The fact

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that the government raised its estimate of the 1935 crop of 20 mil
bu last week, suggests the probability that last year's acreage ha
been under-estimated, and should this have been the case maybe the
will also give us a bigger acreage for the 1936 crop. If so estim
might be somewhat higher than anticipated. However any small variance from the expected figures would not be the dominating facto
and further fluctuations will depend upon the weather, particularl
in Canada, and also in the corn belt, because with the substitutio
of one cereal for another the total quantity of all cereals raise
has an indirect influence. About an hour before the close there
were some reports of scattered showers in Canada, which caused hea
liquidation and prices dropped 5¢ a bu from the top. As far as we
know the precipitation so far has been insignificant. The market f
ly showed a decline of 1/8¢ for July and 1/2 to 3/4¢ for September

The extreme heat in the corn belt brought in enough buying ord
for this cereal at the opening so that it immediately advanced 4¢
bu, or the maximum permitted in one day, and as very few buyers co
be satisfied, trade was extremely light. This lasted until wheat
started on its downward course, trading assumed heavier proportion
and the close was 3 1/2¢ higher than yesterday. There were repo
that Argentine corn is offered in New York at a price cheaper than
it could be laid down from here. This despite a duty of over 25¢
bushel.

There were also unconfirmed reports that rye is close to an importing basis. Rye closed lower in sympathy with wheat.

Oats closed a trifle higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO July 8, 1936.

Liverpool wheat cables were considerably weaker today, declinig from 1/2 to 1 7/8¢ per bu. They evidently were influenced by nws from Canada of more precipitation than had been expected.

Canada, however, is so large that it is very difficult to form acurate opinions as to the benefits derived from this moisture. It ws scattered over a wide territory, heavy in various places, light i others, and a great deal of the territory was missed. Nevthelss it had quite an effect in stemming the extremely bullish feeling wich had existed and which would have been more pronounced on acount of the continued drought prevailing in this country, particularl in the great corn belt.

A report was given out by the Searle Grain Company of Winnipeg, a very reliable concern, estimating the crop in the three provinces at aproximately 70 per cent of the normal, which the trade assumes will man somewhat less than 300 million bu for all of Canada. Until quite rcently much larger yields had been anticipated, and this quantity wll not become very burdensome, particularly if the United States sould continue to be an important importer. In this connection it i well to consider whether last year's consumption in the United Sates had not been greatly under-estimated. According to the oficial government report, final yields were raised about 20 million b, so we were supposed to have produced 623 million bu in this county, to which importations up to June 27, or for twelve months, have t be added, and these amounted to 33,789,000 bu. Consequently we mst have used up 657 million bu, plus whatever reductions have taken pace in the carryover stocks. Just what these will be we cannot tll exactly, but from various figures furnished by the government, c mill and elevator stocks and the amount left in farmers' hands c July 1, we would imagine this would equal 15 million bu; so if all tese figures are correct the total disappearance last year would hve been over 670 million bu. Of course we have to take into consderation that last year's spring wheat crop was of extremely light tst, thus necessitating the use of many more bushels to a barrel of four; and possibly large quantities were absolutely unfit for milling ad had to be used for feed. This year unless similar conditions eist we might get along with a smaller consumption, particularly if te price remains high. However if the combined winter and spring weat crops should prove to be only 625 million bu or less, it is qite evident that we are working on a very close basis, and no mtter what happens a high level for wheat prices is justified, and wll continue probably during the next twelve months.

Nevertheless there is nothing in sight to fear an extreme scarcity such as would compel curtailment of consumption, unless the Cnadian crop goes backward still further, or unless something should hppen either in Europe or later on in the Southern Hemisphere to mke the European situation stronger than it is at the present time. I this connection it is well to review world visible supplies of weat stocks. On July 4, 1936, they amounted to 205,386,000 bu compred with 266,628,000 bu parallel period last year. The United Sates, as well as the United Kingdom, Argentina and the amount on pssage, are virtually the same; but Canada has 61 million bu less, wich is the exact amount short of last year's stocks at all these pints.

Weather indications are for more showers in Manitoba, also some i our Northwest, but the Minneapolis market was hardly influenced b this prospect of more moisture, as the crops are so far advanced tat very little improvement can possibly take place at this late dte, although it might prevent further deterioration. In Canada, were the crops are later, prospects undoubtedly would be improved

(O V E R)

by most favorable weather from now on. The open interest still r mains much the same as it has been right along; in the neighborhoo of 56 million bu, having increased only 74,000 bu yesterday, showi comparatively little outside participation.

The movement was again very large, 10 reporting points recei ing 2,533 cars. Primary receipts amounted to 3,291,000 bu compare with 585,000 a year ago. This caused a large amount of hedging sa and we think for the first time this was felt very severely, as n buying power was not sufficient to absorb it. We expect that this movement will keep up for some time, but, of course, at this rate t must exhaust itself within two or four weeks, after which time it is bound to decrease considerably. Chicago is getting fair recei now, and we also believe will soon show greater accumulations.

At the close the wheat market showed a decline of 3/4¢ per b for the leading future.

The continued drought in the corn belt gave us a much higher opening in this cereal, but advances in both corn and oats could n be maintained, except for old crop futures.

Rye closed considerably lower, as importations are being fe

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CHICAGO July 9, 1936.

Before our session opened this morning anyone who read the headines of our Chicago newspapers, would have imagined that the great ought in the United States had been effectively broken. These opmistic statements were probably due to the fact that during the last enty-four hours some very heavy showers have fallen over North kota. It proved to be a fact that some of the reporting points showed considerable rainfall, but it was not general over all the state. tside of that, with the exception of a few showers over Illinois d at some isolated points at other places, the weather map did not dicate much rain, nor was Canada favored with much moisture. The ather prediction indicates possibly scattered showers on Friday in rts of North Dakota but no general precipitation,

As far as the crops are concerned, therefore, there is no mateal change. There will be benefits insofar as there will be no ther deterioration in those parts of North Dakota where moisture ocrred, but the crop there is so far advanced and the damage already ne is so great that no great change in the estimates of the probable eat yields will take place.

In consequence, our wheat market opened only a trifle lower, had equent spurts afterwards and showed a tendency to advance at various mes, which was only checked through very heavy hedging sales. This an item that has to be figured with at the present time while the vement continues to be so very large; but receipts are so heavy for e size of the crop that there must be a tapering-off before long.

Today ten points again received 2,770 cars, equal to over four llion bu. Not taking into consideration these temporary influences, is appropriate to size up the wheat situation of supply and demand d make comparisons with previous years. We find that on July 1st pplies were as follows:

Year	Carryover	Crop	Total supplies
1931	338 million bu	932 million	1,270 million
1932	398 "	745 "	1,143 "
1933	390 "	528 "	918 "
1934	292 "	496 "	788 "
1935	155 "	623 "	778 "

f course nobody as yet has any accurate figures for 1936, but if we ke liberal estimates of 140 million bu as to the carryover, and a mbined spring and winter wheat crop of 625 million bu, we would have tal supplies of 765 million bu, which would be less than any of the evious years mentioned, and before that our supplies always were rger because at that time we not only raised our own home consumption, t also prepared for a big export demand.

Primary receipts were again enormous, being 3,823,000 bu versus 71,000 bu a year ago. Naturally they are disturbing to the bull, but ought to ask himself the question: "How long can such a heavy movent possibly last?" On last year's crop, which in size probably did t differ much from this one, the primary receipts for the whole year ounted to 160 million bu, and the year before they were 199 million . Since July 1st including today, for nine days with the holidays, ey have a mounted to 21,622,000 bu, and is a tremendous percentage for at period of what we may expect for the whole twelve months. It is ite clear with the winter wheat crop so much larger than the previous ason, and with the spring wheat crop so much smaller, that the primry movement will become very light after the crest of the winter eat farmers' sales is over.

The Liverpool market was strong, not following our decline of sterday, their close being from 3/8 to 3/4¢ per bu higher. Only very all supplies are being received from other countries than Canada; e Black sea shipped 168,000 bu against 248,000 bu last year, and e Argentine 851,000 bu compared with 2,314,000 bu in 1935.

The movement to this city is on the increase now, and we think icago stocks will accumulate very fast, and possibly sufficiently to bring about carrying charges later on.

It is somewhat encouraging that for the first time in a long ile the open interest is increasing. Yesterday it gained 2,022,000 , and the total is now 58,426,000 bu. We need new buyers to temrarily absorb hedges. At the close our market showed an advance of per bu for the leading future.

There were a few good rains in the corn belt of Illinois, bu none in Iowa, Kansas or Missouri. The fact that there was at leas some precipitation caused greater cautiousness among traders, and new-crop future of corn was practically unchanged.

Oats and rye advanced in sympathy with wheat.

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CHICAGO July 10, 1936.

Yesterday afternoon, after our session was closed, the Canadian ernment issued its report estimating the outlook in the three vinces as 82 per cent of normal. The interpretation would have en considered rather bearish, but it was greatly modified as the orts are supposed to be collected around July 1st, since which he great deterioration has taken place. Nevertheless it was more imistic than the private estimates of 70 per cent of normal at a er period, as hardly that much damage could have been done in the ntime. However in view of the fact that there was again no rain ing the last twenty-four hours, these figures become of less value, a certain extent, unless there should be more favorable weather. late forecast for Canada is for mostly fair and decidedly warm ther in Manitoba with local thunderstorms, and for Alberta warm ther is predicted not only for today but also tomorrow, with local nderstorms. Of course unless precipitation is very much more lespread, crops will suffer more, but how much will remain uncertain il the season is further advanced, the Canadian wheat harvest being much later than it is in the United States.

To show Europe's dependency upon Canada for supplies, we wish point out that Australia, which country had been the second largest porter this year, cleared only 874,000 bu this week versus 2,541,000 last season. This is a clear indication that her supplies must reduced very much, and nothing much can be expected from the thern Hemisphere in the way of shipments until six months hence.

Liverpool closed from 5/8 to 1-cent per bu higher, and will doubt follow again the big advance which took place here during session, as well as at Winnipeg.

Trade was very active again, the feeling being very bullish. chief incentive today, we think, was the intense heat prevailing r all the country which, while not making any great changes any e in the United States wheat yields, crops having advanced so h, is bringing about great deterioration in all feedstuffs. This, sequently, will bring very high prices for anything that can be d as a substitute and is bound to have an indirect sentimental an actual potential influence. While the advance was very pronced, it undoubtedly would have been still greater had it not been the enormous hedging sales which had to be absorbed.

Primary receipts amounted to 4,344,000 bu which compares to 96,000 bu last week and 609,000 bu last year. Shipments were only 00,000 bu. We are looking forward to a very sharp increase in the ible supply on Monday compared with only 615,000 bu last year. ever it is assumed by the trade that the present heavy movement not last for a long time; it is bound to be curtailed after the of this first month and then there will still remain eleven months' sumption to be cared for. We doubt whether we have ever seen such eavy primary movement with a crop the size of this Year's. There two reasons why this is the case; one of them is because the very vy yields are concentrated in two states: namely, Kansas and raska, and there the farmer is well pleased with the prices. Another son is that the weather has been extraordinarily favorable and re were no rains or other hindrances to prevent free shipments. ever the more that is shipped now, the less there will be available er, and the speculators needed to take care of hedges in the intera seem to have appeared, as the open interest increased since yesday 2,885,000 bu and now amounts to 61,311,000 bu, which amount is siderably larger than of late. No doubt if conditions justify ther purchases on part of outsiders, as long as the news remains structive, they are likely to be at hand.

The interior movement is also showing no let-up whatsoever, carlots received at ten various points amount to 3,062 cars or r 4 million bu. Sales to Chicago were reported as being over ,000 bu and we still believe that this market will accumulate cks to a very considerable extent, making it quite possible ter carrying charges will exist between September and December.

At the close the market showed an advance of 3 3/8¢ per bu the leading future for the day, recessions from the highest point ng quite insignificant.

Corn, oats and rye all found eager buyers at advancing prices, ders being very much impressed with the continued drouth and heat almost all states where cereals are raised, which is bound to ng about further deterioration in yields.

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CHICAGO July 11, 1936.

After our session had closed yesterday the trade was given the Government report, which estimated the combined winter and spring wheat crops at 638 million bu.

In analyzing the report we think that the striking feature is the fact that the winter wheat acreage was raised 1,900,000 acres, and the yield is given as 13.5 bushels per acre. We think this estimate is much too low, and that the figures must have been compiled before much was known about the threshing returns. There is very little dispute about the spring wheat crop outlook being down to 126 million bu, and the chances are it will not vary much when final results are known.

However we may have great surprises as to how much more winter wheat might be raised. It will not be the first time that crops turned out much better than the July report indicated. We consider this to be an exceptional year, and want to point out similar cases in the past when final yields were very much larger than was expected in July:

Year	July report	Final	Plus
1926	568 million bu	627 million	59 million
1930	558 "	600 "	42 "
1931	713 "	818 "	105 "
1932	432 "	478 "	46 "

From the threshing returns we are receiving from Illinois, Indiana , Missouri, Kansas and Nebraska, we cannot make ourselves believe that the average yield for the whole United States should be as low as 13.5 bu per acre.

While it is quite plain that the Government report should be construed as bearish, yet there were other items to be considered, which ordinarily might have been an offset today.

Liverpool wheat cables were reasonably strong, advancing 1 1/2 to 2 5/8¢ per bu, but they were the reflection of the bad Canadian news.

There were again no rains to speak of in Canada, and there is no doubt but that the crop there is deteriorating. Furthermore the high prices for corn and rye also have to be taken into consideration. This is the sixth day of scorching temperatures in the great grain belt. The weather map is somewhat more favorable; local showers are predicted for Kansas, also probably in North Dakota, and possibly light precipitation in parts of the corn belt over the week-end, but fair for the remainder of the week. From this we cannot anticipate much moisture, which is so badly needed.

Receipts were again tremendous --ten different points receiving 3,117 cars, considerably over 4 million bu. Primary receipts of wheat were 4,634,000 bu compared with only 862,600 bu last year. This means continued hedging sales, which were absorbed the last few days when the news was very bullish, but after the decline started today buyers withdrew, and wheat lost the full limit permissible in one day of 5¢ per bu.

We believe that in the long run wheat will bring very fair prices this year, but if the winter wheat crop eventually should turn out very much better than the latest Government figures, we might not see any fancy values at the end of the season.

Weather conditions remain unfavorable for corn. The government report on corn was considered bullish, but when wheat started to decline it followed sympathetically, although it reacted sharply at the close.

As far as oats are concerned, the crop estimate of 805 million bu, and a carryover of 247 million bu on farms would give us a total supply of 1,052,000,000 bu compared with last year's crop of 1,195,000,000 and 71,000,000 bu on farms, or a total of 1,266,000,000 bu; therefore a total of only 214 million bu less. In addition to this there are many more oats in the visible supply and in other positions, so the oats report, if anything, is quite bearish in the long run. Unless corn should sell at extremely high prices, we think oats might go lower after the movement starts in earnest.

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CHICAGO July 13, 1936.

There is one item given out lately by the Agriculture Depart-
et which, in our opinion, has received very little attention, but
ems quite important to us: viz., that farmers' carryover is very
uh the same as last year although the 1935 crop yields have been
ased about 20 million bu. To us this indicates a very large con-
uption during the last twelve months. With 623 million bu raised,
5million imported for home consumption and 15 million bu reduction
simated in the carryover, would figure a disappearance of 673 million
u We are likely to forget that our population increases at least a
ilion people a year, or since our great depression in '29, we have
but 7 million more human beings to feed; with an average consumption
fo4e to five bushels per capita, would make an increase since that
ie of 35 million bu. For a long period our per capita consumption
a been decreasing yearly on account of substitutes which were not
sfattening as bread, etc., but we think it now has reached a point
hre it is not likely that the per capita consumption will decrease
uther. Of course it is possible, in fact quite likely, that last
er the consumption was extra heavy on account of the light test
hat in the spring wheat states, and it took more bushels to produce
barrel of flour. On the other hand we believe that this season, on
count of the high price of potatoes, the shortest fruit crop since
91, and a general rise in prices from the low point of butter, eggs
rl milk that we might have a consumption equal to the amount in 1935.
r this assumption, of course, our wheat crop as estimated by the
ernment (638 million bu) would be absolutely in adequate to sup-
l our home needs. However since the figures were compiled threshing
eurns received from the winter wheat belt make us believe that the
ial yields might easily be one to two bushels per acre more than
h 13.5 estimated by the Bureau; and it is not unlikely that the
ial report on winter wheat might be raised from 50 to 80 million bu;
u; even this would not give us sufficient leeway to justify any low
rces unless importations from Canada should be extremely heavy.

As far as our spring wheat estimates are concerned, the official
roort gives us only approximately 50 million bu of bread wheat for
th four states, Minnesota, the two Dakotas and Montana, compared
ith close to 46 million bu in 1934, practically the poorest crop ever
rown up to that time. It, therefore, seems most unlikely that the
rop will suffer still more and these figures will have to be accepted
as pretty near final. This, of course, does not include the Durum
heat which also will yield very poorly --only 9,610,000 bu compared
ith almost 23 million bu last year and 7 million bu in 1934.

The weather during the last forty-eight hours was very disappoint-
ir; as the corn belt has not been much relieved, and with the high
teperatures existing the corn crop must continue to suffer. Of
cuurse high prices for that cereal, of which the largest number of
uhels of any cereal is raised in this country
coipared with all others might become all-important in the shaping
of values of all food stocks.

Fortunately there were very heavy rains at various places in
Caada, according to private reports, but the official map which
covers only a few points did not indicate quite as much relief as
acually took place.

The opening of our market and right after brought fur- [illegible]
thr declines in wheat prices compared with Saturday, the trade
aticipating that showers or thunderstorms might be in sight follow-
ir; those which occurred in Canada, but the official weather map did
no; confirm these optimistic views; and with corn prices rising, and
ar consequence, wheat followed suit, bringing about some recovery from
th lowest point.

(OVER)

The primary movement was again tremendous and receipts at terminal points amount to 6,211,000 bu compared with only 1,299,000 bu last year. The total primary receipts so far on this crop are almost 38 million bu, and as for the whole of last year they were only 160 million bu, this constitutes almost 25 per cent as much as for the whole twelve months the past season.

Even if our assumption is correct that the winter wheat crop very much larger, and after allowing for the fact that the farmers are well pleased with the price in those territories where the crop has been harvested, yet it would be difficult to assume that the ti is far away when the crest of the heaviest receipts will be over. I may last at this rate for one or two weeks more, but this we would consider the outside; and then there will be eleven months left to supply those mills which have not yet covered their requirements. Under the circumstances, we feel that the great pressure of heavy hedging sales, which has a detrimental effect at the present time, will not be of long duration and the price level then will depend very largely upon the final outcome of the Canadian wheat crop.

Liverpool showed again today its close relationship with Nort America, their market declining 4 1/4 to 4 5/8¢ entirely on North American news and following their weakness. World shipments continue to be light --total 7,305,000 bu compared with 7,557,000 bu in 1935, but the contributions all came from North America with the exception of 2 1/2 million bu furnished by other countries. Last year Nort America shipped only 1,590,000 bu of the total 7,557,000 bu, or one fifth. The dependence upon Canada, we think, will continue until the Southern Hemisphere will commence to clear wheat for export on a large scale by the turn of the year.

The visible supply increased 7,577,000 bu compared with only 615,000 bu a year ago. The total now is about 9 million bu greate than similar period in 1935. Chicago stocks increased 348,000 bu, h total being 3,562,000 bu against 1,752,000 bu last year. It appea to us as if there might be a great accumulation of wheat here in Chicago, which will have the tendency to widen carrying charges.

At the close wheat showed a decline of 1/2¢ per bu,for the leading future compared with Saturday.

The weather was construed as being entirely unfavorable for corn, and the new-crop future kept very strong during the whole se With the price high already, it is not so easy to boost it stillfu ther, as a decided change in weather conditions might easily bring about a reversal of tendency.

Rye was somewhat lower in sympathy with wheat, and oats were just about steady.

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CHICAGO July 14, 1936.

This year's calamity crop of spring wheat is usually compared c that other disastrous one in 1934. According to the Government, the ilds of bread wheat in the four northwestern wheat states will be y a trifle more this season than in 1934. However it is generally rlooked that in 1934 the old supplies of spring wheat carried over om previous crops were very much more favorable than now, stocks n being at:

Minneapolis	16,552,000 bu.
Duluth	11,756,000 "
TOTAL -	28,308,000 "

mpared to this season:

Minneapolis	4,812,000 bu
Duluth	2,206,000 "
TOTAL -	7,018,000 "

refore this year the northwestern millers are in a much worse position than they were then, as they cannot fall back on previously acumulated supplies. If the four states raise only 50 million bu of ead wheat, and as close to 20 million bu will be required for seed, re would be only 30 million bu left for marketing. Not only will s compel millers to buy almost all their requirements elsewhere, there will be no wheat to spare for Buffalo and the lake ports, ch points depend so largely upon them. Of course it should not be gotten that the spring wheat crop alone will not make the price United States nor for the world; but it has been and is now a y important factor, unless the yields in the winter wheat territory uld be much larger tha n figured on, in which case they would tly offset the situation.

The actual and prospective weather still remains the largest inlence for forming opinions of traders on wheat commitments. During last twenty-four hours showers have occurred over the Northwest and Canadian provinces. Rainfall was quite heavy in southern Minnesota ; in many other sections dry weather continues. The temperatures tunately are considerably lower in the Northwest, but continue exmely high in the central districts. According to the forecast, the tral states probably will have to wait until Wednesday for drought ief, but cooler weather is positively in sight. In the meantime doubt some damage has been done to the corn crop, but should the ught be gradually broken and sufficient precipitation take place, nge in sentiment, as far as coarse grains are concerned, might deop rapidly. The supoly and demand situation in wheat is so close s season that a larger or smaller corn crop will have more than an inary influence on wheat prices as in certain cases either can be d as a substitute for the other and consumption depends upon the ce.

Liverpool, which had been extremely weak, recovered somewhat, ir futures finally showing an advance from yesterday of 1 1/8 to /8¢ per bu.

The movement at the interior southwestern points was considerably ller than of late. This very often occurs on a Tuesday when repts generally are the lightest, but the decline in prices as well as miums together may have caused farmers to hold back a little more. ertheless compared with other years, receipts at ten points were y large, amounting to 1,671 cars, considerably over two million bu.

Primary receipts were also very heavy, amounting to 3,455,000 bu inst only 925,000 bu last year. Chicago figured very largely in se receipts --the amount being 1,060,000 bu. The same tendency o prevails here. Receipts were somewhat lighter and offerings ller.

During the whole session a feeling of uncertainty existed--fears part of longs being that more copious rains might follow, and ady liquidation took place. This resulted in a final decline the leading future of 1 3/4¢ per bu.

High temperatures continued in the two largest corn states--inois and Iowa, with no precipitation. There was also little sture elsewhere to relieve the corn plant; nevertheless, the market lower partly in sympathy with the decline in wheat, and also due indications that within 48 hours there might be a change in favor more moisture. Oats also declined in sympathy with wheat and corn; did rye, in a minor degree, but it held reasonably firm.

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CHICAGO July 15, 1936.

The weather overnight was again construed as highly unfavorable c the wheat crop in Canada as well as for the spring wheat crop in h United States, although estimates as to the yields on the latter r already so low that it is not likely much more damage can be done. t was also very bad for the corn belt where cooler weather had been xected to bring some relief, and it is well to remember that where h total number of bushels of all cereals is already so small, any ther deterioration will not only affect this particular cereal, all others. With the exception of some local thunder-storms in linois and Indiana, clear weather prevailed in all sections of the rin belt, intense heat continues over the central states as well s all southern and eastern districts, and only cooler weather preals around the Great Lakes. The weather forecast is equally discraging and with the exception of possibly some local thunder-trms in Illinois and Indiana, no great changes are expected. In ada there is a possibility of scattered showers in Alberta, but r, warm weather will prevail over most of the wheat belt. The ry encouraging feature in the whole situation is the fact that the iter wheat crop is made, threshing reports continue to be excellent, n at prevailing prices farmers in the Southwest particularly will tinue to bring their wheat to market on a very large scale.

In reviewing the whole situation we have to figure now on a comratively short crop in Canada --certainly nothing like what was pected two, three or four weeks ago. We already hear of some very nsational reports, some guesses even less than 275 million bu, aproximately what was raised last year; but we do not yet think it is visable to calculate on the most pessimistic estimates. However s long as the crop is not made and as the weather remains unfavorable, h three to four weeks yet to go, and a possibility of an early rost, it is useless to guess on the outturn, except that it cannot e very good anymore.

Broomhall confirms that Europe, with the exception of Russia, obably will yield 80 million bu less than in 1935. The normal, of ourse, is for the Southern Hemisphere to produce a great deal more n last year, but should crop scares arise later on, Liverpool rtainly would not maintain its very indifferent position as at the esent time.

As far as the United States is concerned, anybody who accepts the ernment's last figures of 638 million bu for the combined winter n spring wheat crop, with a consumption considerably larger and h all the surrounding conditions very favorable to a high level f price, cannot assume anything but a bullish view. We, ourselves, prepared for a much larger outturn of winter wheat, but even if ybody could guarantee that the final combined winter and spring eat crop would not be over 675 million bu, which it might be, we uld also see nothing particularly bearish in view of the reduction other centers mentioned before.

Liverpool was very much impressed with our weakness of yesterday d their futures closed 1/4 to 1/2¢ per bu lower than the previous , but with greater strength at Winnipeg today no doubt they will find it as easy to buy Canadian wheat which they absolutely need ry day and every week; so we look forward to much stronger cables orrow.

Receipts at interior points continue to be very heavy, 2,222 cars, approximately 3 million bu. Primary receipts were 3,625,000 bu, ng larger than last week when they were 3,291,000 bu, and almost r times as much as last year when they were 919,000 bu. Neverthes the effect of hedging sales so far has not been very pronounced. s is due to the enormous milling demand, as the consumer is well re of the tight situation existing in supplies this year. In

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fact there is no recession in premiums, and at Kansas City they are very much higher than they had been a few days before, although sto in that market increased for two days 1,586,000 bu. The open inter in Chicago wheat futures is still rather small, but it has increase lately, and now amounts to 68 million bu, or approximately 14 to 15 million bu larger than the late record minimum.

It is not likely that mills will continue to lay in stocks quite as fast as farmers will be willing to sell. Therefore we expect continued increases in the visible supply

At the close the wheat market showed an advance of 2 1/2¢ per bu for the leading cereal compared with yesterday.

With reports of corn prospects declining almost everywhere wit the unfavorable weather, there was no question as to what turn this market would take; advances kept up during almost the whole session This strength also affected sympathetically oats and rye.

It may be somewhat surprising, but we now understand that oats threshing returns are much better than expected. It seems that thi plant can stand a great deal of hot weather, provided the nights ar reasonably cool; and somehow or other the crop appears to have turn out better than previously anticipated.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CAGO BOARD OF TRADE
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MODITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 16, 1936.

As we have repeatedly pointed out for many weeks, and this
uation has not changed any, the final outcome of the Canadian crop
l be the determining factor in making world prices of wheat, un-
s something unforeseen should happen to the wheat crops in the
ance of the world. The United States wheat crops are practically
le and won't change very materially, although opinions will differ
atly as to the size of the winter wheat crop as no further estimates
l be given to the public by the Agricultural Department until about
gust 10.

As far as we are concerned, judging from the heavy movement and
ellent threshing returns we are receiving, we feel the winter wheat
op has been greatly under-estimated; but even at the Government's
ures of combined crops of 638 million bu, assuming we import again
million bu, it would give us sufficient for ourneeds.

As far as Canada is concerned, weather has been again extremely
favorable in the last twenty-four hours, no precipitation to speak
having taken place, temperatures remaining very high, although
oler weather is anticipated. Some of the most reliable houses have
reduced estimates on the production for the three western pro-
nces to as low as 225 million bu, and while this may be an extreme-
low figure, it is conceded by many in the trade that the final out-
me will be smaller than that of a year ago.

Now assuming the worst as far as the present outlook is con-
rned, and figuring a total crop in Canada, which is also to include
e eastern part, of 250 million bu, we would arrive at the following
nclusions: There was available for export and carryover on July
h, 161,272,000 bu. Assuming this will be reduced this month to the
rst of August by further exports of 25 million bu, it would still
ave for carryover 136 millionbu; and this added to a 250 million bu
op to be raised this year, gives a total of 386 millionbu. Actual
ports during the past season, including importations into the United
ates were 220 million bu, and with 25 million bu added for this
nth would make total exports of 245 million bu. Home consumption
about 110 million bu, so that total requirements would be 355 mil-
on bu, which would leave for carryover next year, everything else
ing the same, 31 millionbu. This would be a smaller carryover than
many a year, but sufficient for all purposes; and it is to be
sumed that the Wheat Board would be willing to let stocks run down
the lowest possible minimum and go out of business if this could be
ne. It certainly would not be good policy to have a larger carry-
er at a price level of close to a dollar, it being a poor specula-
on to believe that we should have a fifth drouth year next year.

We also take it for granted that the world's requirements from
rth America will not be any larger than in 1935, as after January
e Southern Hemisphere undoubtedly will be able to supply larger
antities unless there should be another calamity in the Argentine,
t such an occurrence happens only about once in ten or twenty years,
d is not likely to be repeated. There are distinct signs already
at the Canadian Wheat Board is following a policy,--which seems to
a sane one, as reports were quite general both yesterday and today--
at they are free sellers on any advance, evidently willing to re-
ize profits on their present stocks which were acquired for less
ney. Therefore Winnipeg isnot following our sharp advances in
tirety at times.

Here the feeling early was very bullish and was largely in-
uenced by the great strength in corn, and the continued deteriora-
on of this crop which has its indirect effects on wheat, and which

(O V E R)

might lead to larger consumption through more feeding to animals, if the price level is maintained.

In a general way the market now is more or less the same as i has been for many days since the harvest started. At the opening buyers as a rule are very numerous on account of the bad news overnight, and after advances, hedging sales come in in such large vol that it is difficult to absorb them, and the best prices cannot be maintained.

Arrivals in the interior of the Southwest and every other plac were again very heavy today, and ten points received 2,483 cars, or almost 3 1/2 million bu. Primary receipts were also heavy, being 3,781,000 bu, which is almost as large as last week similar day, wh they were 3,823,000 bu; but nearly three times what they were in 1935, when they were 1,228,000 bu. We believe that this heavy move ment will continue as long as the market remains strong, and it wi require new buyers right along to take care of the hedges. So far t is fortunate that they have made their appearances, as the open interest increased yesterday 2,097,000 bu and is now 70 million bu,

Cables were construed as being very strong, futures at Liverpo advancing from 2 1/8 to 2 3/8¢ per bu.

The Black sea reports heavier shipments this week, same being 656,000 bu, but yet they are smaller than a year ago when they amou ed to 962,000 bu. We believe that outside of Canada the Balkan sta will be the only source from which heavy contributions to the importing nationscan be made.

At the close the wheat market showed an advance of 1¢ per bu for the leading cereal.

The weather over practically the entire corn belt was highly n- favorable again, and not much relief is in sight for the next twen- four hours. It is impossible at this time to size up just how muc damage has been done, but there is no question that the corn crop in a very precarious position unless moisture brings relief before long.

The Argentine Government estimates the 1936 corn crop now at 379 million bu, which, of course, will leave a large surplus for e port, and if our prices are high enough, no doubt, importations wi take place on a large scale.

Oats and rye sympathised with the other cereals and closed a higher prices.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO July 17, 1936.

The actual and prospective weather outlook is still the dominant factor in the grain market, although the fact that our crops have already suffered tremendous deterioration is never entirely forgotten.

The news this morning before the opening of our session was extremely bullish. Liverpool cables came higher than expected, and in spite of some reactions that market closed from 7/8 to 1 1/4¢ per bu better than yesterday.

There were practically no rains reported in Canada, our Northwest or in the corn belt, with high temperatures prevailing everywhere, so it was the proper reasoning that further damage to the various crops not yet made is in sight. There also was a report by Sanford Evans, who is a great authority and student on Canadian wheat conditions, claiming that a deterioration of 43 per cent had taken place. On the assumption that prospects at one time were 400 million bu for the three provinces, such a decline in the outlook would mean 172 million bu less, or a total prospective outturn of 228 million bu, which confirms the latest estimates that have been made so far. Of course there is the possibility that further damage might take place, but on the other hand, with any sudden improvement in weather conditions some recuperation would not be impossible. In the meantime, however, we have to figure with prospects of a calamity crop.

The dependence of our spring wheat millers on Canadian importations is plainly shown in a report from the Department of Commerce, at Washington. It advises that imports of wheat from Canada for consumption, duty paid, for theweek ending July 11, totaled 1,499,000 bu compared with 646,000 bu for the week ending July 4. So far on the crop we have received from that country 2,145,000 bu. against 96,000 bu a year ago. It clearly shows that millers are much more aggressive than they were last season, even though importations for the past twelve months amounted to 35 million bu and the spring wheat crop this season is shorter than it was then. We have frequently dwelled on the absolute dependence of importing countries on Canada. This is confirmed again when we take Argentine clearances this week, being only 582,000 bu compared with 3,090,000 bu in 1935 similar week, and Australian shipments, 802,000 bu versus 1,314,000 bu.

Nevertheless after a very strong opening and a good advance over yesterday's final prices, a considerable reaction took place, with the close for the leading cereal being 3/4¢ per bu lower. This can only be accounted for by the continued heavy movement and hedging sales on a large scale, for which at the moment not sufficient buyers seem to exist in order to absorb same. Ten points in this country received 2,395 cars, or almost 3 1/2 million bu. Primary receipts were 3,824,000 bu, only a trifle less than last week when they were 4,544,000 bu, but more than 2 1/2 times what they were same time a year ago, when they were 1,401,000 bu. We expect a tremendous increase in the visible supply on Monday, while last year stocks had increased only 1,814,000 for this period. So far this week Kansas City alone shows an increase of 3,246,000 bu, and by Monday this might swell to 5 million bu. Chicago also probably will increase very heavily, as well as a great many other places.

The corn market was strong during all the session, and the July future advanced and held for quite a period at the full limit of 4¢ per bu permitted in one day. It is now selling only 3¢ per bu lower than July wheat at Winnipeg, and with a duty of only 10¢ per bu on feed wheat, importations are likely to take place on a large scale, and heavy purchases of corn from the Argentine probably will also continue.

During the session some showers were announced from various points in southern Illinois and southern Indiana, alsoMinnesota, but evidently they were not of sufficient importance to bring much relief, as traders who are very quick to recognize a change in the situation paid very little attention to same. Students of the weather map claim they would not be surprised if after 48 hours, judging from barometric indications, weather conditions might improve, but it is too early to make any predictions.

Rye and oats never showed such buoyancy as the other cereals.

UHLMANN GRAIN CO.

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CHICAGO July 18, 1936

After the close of our market yesterday, the Winnipeg Free Press ased a crop report which was extremely pessimistic but about in with other advices that have been current during the past week. dian people construed this as about the worst report on condition any years. Some go so far as to think that even copious rains his time would do little to relieve the situation, as the crop is far advanced. Of course it is conceded that the feed situation t improve, but that the wheat crop generally is past redemption. being the case, Liverpool was somewhat stimulated, and their close at fractional advances despite our sharp break of yesterday.

We paid very little attention to either the Canadian report or to comparative strength abroad in view of the fact that some rains occurred over night, in northern sections of Illinois and Iowa, to eve corn. There had also been a few scattered showers in Canada, the combination of these factors was responsible for our market ing lower.

It becomes more apparent each day how dependent wheat is upon corn. e were reports yesterday that the Government had made some pur- es of wheat on the Pacific coast to take care of drouth and feed ef, while in sections of the Southwest there is some talk of wheat g substituted for the yellow cereal in view of the price relation- and the fact that the corn crop in parts of Texas and Oklahoma uffering from the drouth and extremely high temperatures.

Reductions in the spring wheat crop places us in a more vulnerable tion than if conditions were normal. Should any great amounts heat be required for feeding purposes, it would naturally disturb ulations.

Canadian prices started firm, but reactions were quite sharp in athy with Chicago prices. It seems that in the face of a disas- s crop in Canada, the Wheat Board is willing to sell its accu- ted holdings to all buyers, and there is now the possibility that may reduce their old holdings on every advance. If this proves e the case, it would release, to a large extent, the carry-over lies which heretofore had been withheld from the market and as a lt Canada, before another crop is harvested, might rid herself of burdensome reserve stocks which were a depressing factor for the three or four years. At the present time there remains 153 ion bushels available for export and carryover compared to 221 ion bushels for the same period of 1935, with still three weeks l August 1st when their crop year comes to an end.

We expect a very large increase in the Visible Supply next Monday, ably the largest on record in relation to the size of this year's , because the movement has been extremely heavy due to the fact farmers seem satisfied with present prices. It is also a fact the winter wheat crop is turning out much better than was antic- ed earlier, Kansas City alone increased over 4 million bushels so this week.

The weekly weather forecast indicated further relief for the corn s, and if this materializes we would not be surprised to see low- orn prices again, as that market appears over-bought. However, we not looking for wheat prices to decline much, as there has already considerable liquidation and to that extent the technical pit ation is corrected. However, receipts will not keep up as they in the past few weeks, and we don't expect any pressure at any from the spring wheat movement; therefore, with the huge milling nd, there will soon be reached a point where hedging pressure will ne less burdensome.

Primary receipts today amounted to 3,293,000 bu compared to only 3,000 last year. However, there was a slight falling off from week, and we expect that the peak of the movement has already reached.

Corn declined the full limit permissible in one day's trading, prices for all futures 4-cents per bushel lower. Much will de- now upon the extent of moisture over the week-end, but at least many States the damage was not entirely irreparable and there- we expect that some improvement will take place. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

July 20, 1936

Inasmuch as corn had been King of late and was a very large fctor in influencing wheat prices, the fact that precipitation hd fallen in many of the corn states exercised a sobering effect uon wheat values. While there has been a fair amount of re-lef in portions of the Dakotas, Iowa, Missouri, Illinois, Idiana and Ohio, the corn crops in Nebraska and Kansas have nt equally benefited by moisture and the outlook for a corn crop i those states still remains very poor. Nebraska is quite a lrge producer and in case of a great shortage there, very much lrger quantities of wheat might be fed to animals, as that creal was raised there in abundant quantities.

High prices for corn are being paid now in some parts of Knsas and the value for same is higher than for wheat, and therefre undoubtedly is also increasing the consumption of wheat for aimal feeding.

We are inclined to believe that at the end of the season i will be found that the winter wheat production was very large-i under-estimated; that the consumption will also be extremely havy, and to some extent one will offset the other.

Cables were reasonably firm, finally closing unchanged to 14¢ lower; but it is rather surprising how the importing world i continuing to absorb such small quantities of supplies and how wekly world wheat shipments are less than the supposed requiremnts. This week's clearances from all exporting countries were ly 6,828,000 bu compared with 7,784,000 bu last season when they wre also considered to be very small.

Estimates on the Canadian crop remain at 225 to 250 million for the three provinces, or smaller than last year, but yet the assumption that the Canadian Wheat Board is willing to re-ce its stocks to more normal proportions this quantity, to-gther with the heavy carryover, probably would be sufficient fr all purposes, in view of the light demand from abroad.

The movement in this country, particularly if we accept the vernment's estimate as representing the actual situation in nter wheat, is tremendous. Up to Saturday night, represent-g only eighteen days, including Sundays and holidays,

icago had received	5,065,000 bu	compared	with	1,505,000	bu	last year
hsas City -	23,705,000	"	"	" 3,275,000	"	" "
aha -	7,765,000	"	"	" 738,000	"	" "
. Joseph -	3,279,000	"	"	" 254,000	"	" "
. Louis -	4,923,000	"	"	" 943,000	"	" "
chita -	5,502,000	"	"	" 3,509,000	"	" "

It is true the movement started earlier than last year, yet e price was satisfactory to the farmer; but, nevertheless, we lieve the chief reason for these heavier receipts was much larger elds, this particularly so as again today the movement continues be quite heavy.

Receipts were very heavy again today and ten points re-ived 3,470 cars or almost 5 million bu. Primary receipts re 5,227,000 bu versus only 2,476,000 bu last year. Undoubted-millers also accumulated heavy stocks, being able to buy direct om farmers. Therefore, a large amount of the primary re-ipts was retained in elevators at terminal points, causing mendous increase in the Visible Supply stocks which amounted 13,739,000 bu compared to 1,814,000 in a similar period during 35, and the total is now 45,944,000 bu in comparison to 25,099,000 last season, or an additional 20,845,000 bu. We see no sign as

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yet of any stoppage in further increases; therefore temporary new buyers will have to be found for additional hedges. However, the confidence in the value of present prices for wheat is sufficiently strong so that no doubt they will appear at the proper time. On Saturday the open interest increased 1,156,000 bu and is now 75,248,000 bu, or 20 million bushels greater than the minimum, and so far it has practically taken care of increases in the Visible Supply. We consider the fundamental situation in wheat as reasonably sound. There is no longer any question of short crops of barley and rye, a moderate one of oats, and a comparatively small corn crop in view of the larger requirements this season owing to a heavy increase in the number of animals.

At the close our market showed an advance in the leading future of 1 3/8¢ compared with Saturday's closing price.

Extreme fears about the corn crop have been dissipated through timely rains in part of the corn belt, but nevertheless a large crop is no longer to be reckoned with, although a moderate one is still probable with further deterioration still possible. Then we shall again be in a position where it will be difficult to accumulate stocks like this season. The Visible Supply showed a decrease of 2,005,000 bushels, leaving in all reporting places, which constitute the Visible Supply, only 4,680,000 bu. The market was weaker, being influenced by somewhat more favorable weather conditions as a whole.

Rye closed somewhat higher, largely in sympathy with wheat, but oats had to give way a trifle.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 21, 1936.

The weather overnight was again construed as being rather un- orable. There was very little moisture reported in Canada where th wheat crop continues to deteriorate and very few now anticipate ger yields in Canada than the small crop which was harvested in 95, with possibilities that final results might be less. There s also very little precipitation in the corn belt encouraging new uyers of that cereal at higher prices; nevertheless it was diffi- ult to lift wheat values considerably at any time.

One of the discouraging features is the great indifference of rope to take the constructive side. Liverpool futures after ad- ancing early finally showed a decline of 3/8 to 5/8¢ per bu. World ipments so far are a lso smaller than anybody anticipated. For hree weeks they amounted to 20,316,000 bu versus 22,443,000 bu milar period last year. This steady decrease in world takings has en going on now for years. This in spite of the fact that the ggest customer, the United Kingdom, needs as much wheat and flour ever, but the reduction in importations is almost universal in all her countries including the Orient. The United Kingdom for a little er eleven months up to July 5 has absorbed 184,403,000 bu compared 178,944,000 bu in 1935. They have also purchased more flour, viz., 541,000 barrels versus 3,993,000 previous season. Average require- nts, therefore, are considerably more than 4 million bu of wheat ekly, or its equivalent in flour. Considering that the average earances so far are less than 7 million bu for the last three weeks, is would leave for the balance of the world less than 3 million bu week; or in other words the United Kingdom at this rate would con- ue to take more than all the balance together. We assume, however, at this proportion will not last during the balance of the year, at the present time the smaller absorption is being felt. There- re in spite of the poor crop outlook Canada is not very enthusiastic out values as expressed in their quotations.

Under the circumstances the continuation of the heavy movement ich persists becomes rather burdensome at present regardless of at opinions might be as to the ultimate value of wheat. Fortunately ere are some indications of a dropping-off of farmers' sales, and th the open interest increasing again yesterday over 2 million bu, e pressure from now on might be considerably less. Receipts at various points were 1,330 cars, which is quite a reduction com- red with last week. Primary receipts amounted today to 2,594,000 bu rsus 3,455,000 bu last week, but still larger than last year when y were 1,336,000 bu.

Trade has quieted down considerably now, the volume is very ch smaller, and after many fluctuations the leading future of wheat vanced 1/4¢ per bu for the day compared with yesterday.

The news on corn was very encouraging for the bull, not only at the weather remains very unfavorable in this country, particularly the Southwest, but Broomhall also cables that harvesting of the gentine corn crop is being severely delayed on account of con- uous rains. Those who have old corn left seem to be well satis- ed with the price, and receipts are increasing, today's primaries ounting to 869,000 bu against only 184,000 bu a year ago. However e demand also appears very good, and prices of old corn showed sharp turns; the general undertone of this cereal remained very strong ring the whole session.

None of the other pits for cereals could make an equally good owing. A great many traders purchased corn and sold wheat, which lped to depress the latter.

Oats remained almost unaffected, and rye also showed but small ctuations.

UHLMANN GRAIN CO

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO July 22, 1936.

With supplies so closely adjusted this year to our normal wheat cnsumption, it is impossible to have a ny fixed ideas on the value of tis cereal without considering the corn situation. As a general rule or per capita human consumption of flour or bread does not vary much fom one year to another, but our total dis appearance of wheat varies geatly, particularly in such years when more or less wheat is fed to aimals. There the price structure enters very largely into the calclations. At the present time wheat for September delivery at Knsas City is selling only about 12¢ per bu higher than the corn fture same month. If further consideration is taken of the fact that weat contains 60 pounds to the bushel and corn only 56 pounds to the bshel, the value pound for pound is only about 6¢ difference. It is, terefore, quite apparent that those farmers who have wheat to sell ad would have to pay freight to terminal markets on same in order to dspose of it, and on the other hand have no corn raised to feed to aimals and would have to ship in corn and pay freight, are economicall better off to feed their wheat. This substitution, we believe, on bsis of present value will take place on a very large scale; therefore ay further advances or declines in corn should ha ve sympathetic rsponses on wheat prices.

The corn reports from everywhere show more deterioration. We ae advised by our correspondents that the crop in Kansas, Oklahoma ad Missouri is as nearly a total failure as anyone can remember. Nbraska also has suffered terribly; in fact the feed crops in the Suthwest are as nearly a total loss as one can imagine. For two or tree weeks the pastures ha ve burned up and while they can come back wth a couple days of good rain, so far the desired precipitation has nt come and the outlook for the next twenty-four hours is not very hpeful.

So far Iowa and Illinois, the two largest corn belt states, have fred comparatively better, but the Iowa State Weekly Report says etensive damage has been done during the past week in an area where uually 100 to 140 million bu are raised. Destruction in some localiies is nearly complete, while in others the damage is more moderate.

As far as the wheat plant is concerned, the only important trritory in North America where it is subjected to weather changes, ad where it might improve or deteriorate further, is the one in Canada. A the present time continuation of dry and warm weather there has a bd effect and estimates on final yields are continually being reduced. S taking it all in all the news was rather bullish, bringing about a mderately higher level at the opening, but somehow or other tired hlders must have concluded to lighten their loads and there was very etensive selling on part of some big interests, which brought about vry sharp declines at times from which there was a good recovery.

The foreign markets still remain very indifferent, evidently ifluenced by the much reduced demand; and Liverpool after opening a practically unchanged prices closed from 3/8 to 1/2¢ per bu lower ater they became acquainted with our drop in prices here before midssion.

There appears to be no attention paid to the bad reports from Rssia. Indications now point to a great improbability that Russia wll become a large exporter of wheat this season, and the early hpes that she might be a big factor in supplying European demand hve been destroyed.

There is a decided dropping-off in carlot receipts at interior pints in the Southwest, although they are still heavy compared with

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other seasons. The total received at ten stations today was 1,460 cars. Primary receipts were 2,551,000 bu; more than one million bu less than last week, when they amounted to 3,625,000 bu, but consid- ably larger than a year ago when they were 1,199,000 bu. Of course in 1935 Kansas raised only about 40 per cent as much wheat as this season. Stocks at Kansas City are still increasing very heavily; s far this week, 1,778,000 bu. The owners of elevators are very anxio to utilize their storage room, feeling convinced that later on ther will be a heavy demand for choice wheat. This particularly so, as northwestern millers will be compelled to buy the largest share of their requirements in the Southwest and cannot rely on securing supplies nearer home.

At the close the leading future of wheat showed an advance of 1/2¢ per bu compared with yesterday.

The corn market was very strong early, but higher prices are bringing out better receipts, total at primary markets today being 626,000 bu against only 341,000 bu the previous year. The very hig prices which are being paid now must necessitate great curtailment and saving in consumption, and it is difficult to tell whether or n present values have fully discounted the damage which has been done

Oats showed but small fluctuations and were more or less neglected. Rye closed somewhat higher partly in sympathy with whea

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

July 23, 1936

The trade was surprised this morning to find that fair t good rains had fallen overnight in parts of Iowa and northern Ilinois, and later also rains were reported in northern Indiana. e prospects for larger or smaller corn yields are considered so iportant now that an extremely strong cable on wheat before our ssion opened, was ignored and all markets opened at lower prices an they had closed yesterday. Later, however, different con-usions were reached. The rains which had fallen were by no means s general that it could be assumed a general improvement in corn op prospects would be in sight. There are too many territories ere dryness still prevails and nothing has been changed materially a far as the probable small yields for the total corn crop in the ited States are concerned.

The weather will continue to be watched as naturally some iprovement or further deterioration will take place according to imatic conditions from now on.

Later wheat cables did not maintain the full advance, altough futures for the day at Liverpool closed at 1/4 to 7/8¢ per shel higher.

The fact that European weather at the present time is als rather unfavorable- wet weather prevailing in the United Kingdom, ance and Germany- was a factor there. There is also the possility that Europe might have a wet harvest, which would compel them t import more of the dry choice wheat from Canada.

The precipitation in the three Canadian provinces overnght was also very small and fears are existing that black rust, wich is always a menace at this time of the year, might possibly dvelop. However, at the present time there is no reason to suppse that this disease will develop more than in any other year,and i is only the exception where the ravages are considerable.

In the meantime Broomhall reports a big Canadian export bsiness to Europe,and the United States also is purchasing wheat tere for home consumption. For the week ending July 18th reports c the Department of Commerce show importations of 661,000 bu,and fom July 1 to 18, they aggregate 2,806,000 bu compared with only 16,000 bu in the same period in 1935. Inasmuch as the spring wheat cop in the United States this year is much smaller than that of lst, and that even in 1935-6 they imported almost 35 million bu, w would not be surprised if this quantity this season would be rised to 50 million bu. We feel, however, that this will not necessrily be a great burden, assuming that corn prices stay as they are nw, which undoubtedly has lead to much larger use of wheat for feedng to animals and increased our total consumption accordingly.

One forecasting agency predicted during this session that hgher wheat prices might prevail and the advice came just at a time hen the market was bare of offerings. This resulted in a very uick upturn from the lowest point and the close showed a good adance for the day for the leading future of 1 1/8¢.

Primary receipts continue to be very large although they how some falling-off compared with previous week, being 2,633,000 compared with 3,781,000 bu last year and only 1,332,000 bu similar riod in 1935.

Kansas City so far this week shows an increase in its ocks of 2,498,000 bu and we anticipate another very large increase the visible supply next Monday, although somewhat smaller than ast week. However, it might be double or more than what was acumulated last year, amount then being 4,108,000 bu increase.

There is a decided dropping-off in carlot receipts at inrior points in Kansas and this probably will be felt soon now at rminal markets. At the present time hedging sales are still of onsiderable size, but they ought to be on a smaller scale soon. In rdinary years just about when they assume very small proportions pring wheat receipts commence to take their place, but with the hort crop in the four spring wheat states, there is not likely to any pressure at any time this season from that source.

The corn market weakened early on account of the changed weather conditions where more hot dry weather was expected. However, the discouragement did not last very long and there was a godd sized reaction from the lowest point, but the close was lower than the previous session.

Primary corn receipts continue to be large- 662,000 bu compared with only 171,000 bu similar week last year.

Oats movement is increasing; little interest is shown in this cereal and fluctuations were very small.

Rye actually closed lower, but we think with the extremely short crop, prices are fully justified.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 24, 1936.

There is a greater balance wheel to the wheat market at the pre- ime than heretofore, and no such sharp fluctuations as we ex- ced lately are in order. On June 29 the visible supply was down low point of 21,950,000 bu; and with only such a small quantity at hedged, naturally any new buying could only be accomplished h some short sellers, or longs taking profits, there being no pressure through hedgers. This has radically changed for the being. Last Monday the visible supply was 45,994,000 bu, and in obability it will increase close to 8 million bu next Monday. So ll have about 54 million bu available at terminal points, the t part of which is hedged. Therefore there is more wheat avail- ow on sharp advances where previous holders are likely to take s.

Outside of these technical changes, the wheat situation as far pply and demand are concerned has not improved any. Reports from nadian Provinces are still very bad, many of them reporting fur- eterioration is taking place. This is quite understandable to any- o watches the weather reports. During the past few weeks, with ception of a few points, temperatures have been above normal, and laces recorded as high as 100 degrees in many districts. During st 24 hours no rains were reported anywhere in the West, and the forecast holds out little prospects other than some thunderstorms.

If the worst estimates for the three Provinces of about 225 on bu are correct, it would indicate about the smallest crop since Last year Canadian supplies, including the carryover, were about llion bu, and assuming that all of Canada should raise even 250 on bu, and have 140 million bu on hand in all positions on August here would still be 100 million bu less available than a year ago.

Exports of Canadian wheat during the week ended July 17 totaled ,000 bu, including 965,000 bu to the United States, but it is pos- that part of this might have been ground in transit into flour port. Nevertheless if during the next twelve months exports continue at this pace, amounting to 240 million bu, including onsumption of 110,000,000 bu, next year's carryover would be re- to practically normal proportions, and very much lighter than for years.

As far as the United States is concerned, indications are posi- ow that the crest of the movement has been passed. Primary re- s today were 2,335,000 bu compared with 3,824,000 bu same day last or 1 1/2 million bu less. It is true, they are still very much than similar period a year ago, when they were only 1,314,000 bu, nsidering that the bulk of the wheat crop this year was raised in rd and soft wheat districts and that not much may be expected on in the way of a spring-wheat movement, this is quite natural.

Carlot receipts at interior points also show a great falling-off; t, they are quite small now: Wichita received only 48 cars, 51, Hutchinson 56, Enid 67, Fort Worth 54, and Amarillo 101 cars. also means that terminal points are likely to have a further de- before long. However we feel that in view of the fact that the wheat crop will probably turn out larger than assumed, and with ued importations, there will be no great scarcity of wheat in the States, except should the amount of wheat fed to animals be con- bly in excess of normal. To show how much this item varies from to year, we want to point out some of the Department of Agricul- s figures on wheat fed to livestock in past years: From the 1934 31 million bu; 1933, 70 million; 1932, 122 million; 1931, 171 mil- 1930, 158 million; and 1929, 59 million bu. It is reasonable to se, provided corn prices remain as high as they are now, that the of wheat fed this year will be on an extensive scale.

The comparative weakness in corn today was rather discouraging eat holders, and with no particular new incentive for making fur- purchases, the market sagged at times without being especially weak

At the close the wheat market showed a decline of 1 5/8¢ per bu e leading future.

The weather map did not show a drop of rain in the great corn s, Illinois, Nebraska, Iowa, Missouri, nor in Kansas or Oklahoma. er there was fair precipitation at many points in Indiana, some chigan, and extensive rains in Ohio. The fact that at least some

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territories were relieved for the time being with the possibility of local showers over portions of Iowa, Illinois and Ohio tonight or Saturday, had a depressing effect on corn, which cereal declined considerably.

Rye keeps independently strong, and we think the shortness of the crop is bound to be felt sooner or later.

Oats receipts are increasing, demand is poor, and prices are gradually receding from the previous high point.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CI AGO BOARD OF TRADE
EW ORK PRODUCE EXCHANGE
NE YORK COCOA EXCHANGE
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CC MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 25, 1936.

Showery weather still prevailed in the United Kingdom and France, an this we believe was responsible for the strength abroad, particularly in July wheat which future closed 1 5/8¢ per bu higher than yesteday.

The fact that declines in North American markets were entirely igored, created a little more bullish sentiment at the opening despite th fact that showers had occurred over portions of Iowa, Illinois an Indiana. These were reported as light to good in many districts, an later when the weather map was posted there was reason to believe th t further relief might take place over the weekend and this caused soe discouragement in corn, although lowest prices were registered shrtly after the opening.

Temperatures in some of our southwestern states were as high as e can ever remember them, and this coming on top of a drought is certanly a very serious situation. For instance, at Hastings, Nebraska, th thermometer showed 118 degrees yesterday afternoon. Therefore re may be little doubt but that much irreparable damage has already en sustained both to the corn crop and to pastures over rather wide ras.

We are in touch with a good many country stations and most of them n the states of Nebraska, Kansas, Oklahoma and Texas talk very discoragingly about the corn crop, and we are sure that even in parts of isouri it must be the same. Therefore it is reasonable to suppose that cn will sell at very good prices during the coming year, and with atures also in poor condition it behooves one to consider as to the xra quantities of wheat that will be fed to animals as a substitute. Wih this in mind we feel that the constructive side of the market s the safest to follow, but we also appreciate that if we should get r improvement in weather in Canada, temporarily there might be better uing opportunities than at the present time. There is not much hnce for greatly improved yields in the western provinces over the simates recently given to the trade, because the soil deficiency s been so great that even copious rains from this time forward would adly be sufficient to repair the damage which has already taken lce. In Manitoba for instance the average rainfall since April 1 y amounted to 4.87 inches, compared with normal of 8.25; in akatchewan the comparison is somewhat better --5.10 inches having en received in the same period, compared with an average of 7.37; hle in Alberta the rainfall amounted to 5.10, compared to normal of 10.

We also believe that the Canadian situation would be much more ulish were it not for the fact that there still remains a sizable aryover, viz., 147,819,000 bu, with just two weeks to go until uust 1. In other words, we believe that there will be close to 140 illion bu of wheat carried over, which is the estimate that we have n maintaining for sometime. With the present attitude of the hat Board to reduce these holdings, we believe that there might be lse to 400 million bu to be reckoned with from the start of the adian crop on August 1.

Figures were released today reporting interior mill and elevator tcks as of July 1 at 23 million bu of wheat compared with 38 million t year. At that time the amount of wheat on farms and in the iible supply was about the same as a year ago, and with only the age mill stocks still to be heard from, we feel that the reduction carryover from 1935 will be at least 15 million bu, and shows a y heavy consumption during the year.

Carlot receipts are becoming more moderate; ten points show 1,384 s received today. Primary receipts of wheat were smaller than the vious week, amounting to 2,567,000 bu, but larger than last year n they amounted to 1,669,000 bu. Stocks at Kansas City, Duluth and ineapolis increased 3,848,000 bo, so there will be a good-sized gain the visible supply stocks on Monday, but from now on will prove less densome each week.

At the close September wheat was unchanged from the previous session. There was a slight widening of carrying charges noted during the sion, due chiefly to liquidation of July contracts resulting from ent tenders.

Cash wheat here in Chicago is slightly easier, and we believe that rbody desiring deliveries will soon be cared for.

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Corn closed higher despite the moisture that was received, and the forecast that more may follow. It is probably recognition of the fact that feeds will not be plentiful regardless of weather improvement; and this seems to bring buyers into the market on all declines.

Rye was firm and at times higher. The crop may be regarded as a failure, and this we believe was responsible for the buying during the last two sessions.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
AGO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
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ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 27, 1936.

Foreign markets continue to be quite strong, and for many good esons. At the present time, with the exception of the Danubian ntries and Canada, there is not much wheat in sight for the import- n countries. With the Canadian crop still going back and with the ted States absorbing some of their supplies, there is little chance Europe to accumulate heavy stocks, at least not until after the n of the year when the Southern Hemisphere might be able to furnish arger percentage of their needs.

In the meantime the amount on passage decreased to 20,376,000 a very insignificant quantity, and about 2 million bu less than t week. World shipments are extremely small, although somewhat ger than last year, 7,034,000 bu compared with 6,828,000 bu last and 6,077,000 bu similar period in 1935. There is some possibil- of a wet harvest, and it is generally recognized that two coun- s with very large populations : France and Italy, have much smaller prospects than last year.

At the close Liverpool futures were unchanged to 3/4¢ up. The future which did not vary was March wheat, which is selling at /4¢, or 8¢ lower than July, and appears to us very attractive com- d with any other future in any other market. It is only moderate- higher than Winnipeg, much lower than Chicago, and in our opinion s only selling at this low price because the importers figure that hat time next year's Argentine crop might be freely offered and hedging sales might have to be absorbed. However any crop scare he Southern Hemisphere would compel short sellers to cover quickly. hermore the bulk of the movement in Canada will be over by that , and it is reasonable to assume that plenty of buyers may be d for the Argentine offerings at that time.

The weather in the United States during the last forty-eight s continued to be unfavorable. There was very little moisture anada. Temperatures were very high in the Southwest and the crop must still be deteriorating in many places. This immediate- aused heavy buying at the opening, with sharply higher prices.

Primary receipts are showing a sharp falling-off, although in rdinary year they would be considered as quite fair, but the high es are inducing farmers to sell very freely. They amounted to 5,000 bu compared with 5,227,000 bu last week. Receipts at ten rior points also are very much less than previous weeks, being 8 cars. We think this tendency will continue, and will not change rially when the spring wheat crop moves, as we expect it will be uch light proportions that it will not offset the diminution in the er wheat movement. The visible supply shows a tremendous increase, ably one of the largest that ever took place at a similar period,it g 13,922,000 bu. Last year at this period the increase was only 18,000 bu; at the present time stocks at terminal points are ap- imately 60 million bu versus a little over 29 million bu the pre- s year, or almost double. In 1935 the visible supply reached its mum on October 26th, when it was 78,100,000 bu, after which time ecreased gradually, losing almost 60 million bu by the end of the year. While we expect continued increases for sometime, we the maximum will be reached long before last year's period, as stocks were helped by accumulations in the Northwest, which are likely this season on the same scale, crops being so very poor. decreases later on may be repeated this year.

Publication of the visible supply figures had hardly any de- sing effect on the market, as the trade looks further ahead and nes that all the wheat which was raised this year will be needed home consumption, and considerable importations will be required der to fill all our needs.

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in order to fill all our needs.

Stocks in Chicago increased 2,593,000 bu, and now amount to 8,464,000 bu. Those of our readers who followed our estimates will remember that we thought by the end of this month Chicago stocks mi reach 10 million bu, and that they might be further increased durin the month of August. This, we believe will be realized, and with s large stocks in this market, we look for much better carrying charg between September and December wheat. Anybody who wishes to carry i would have to pay 4 1/2¢ per bu storage for this period, not to mention interest and insurance.

At the close the wheat market showed an advance of 1 3/8¢ p bu for the leading future compared with Saturday.

As with everything in life, its good often offsets its shad side,we feel that the drought this year, while it may hit some individual farmers, will in the long run be very helpful to them. From all the statistical information at hand both here and abroad, it appears as though at the end of this crop year cereal supplies will have reached extremely low points. As the big carryovers for sever years were a great damage to prices for the incoming crops, so we n figure that it will take several years of normal or big crops, to p vide sufficient carryover stocks for all contingencies. In the mea time, not only for this year, but also for the immediate years to c high prices for moderate crops and fair prices for large crops are i sight, and then farmers will be better off than they have been for long time.

Weather in the corn belt was distinctly unfavorable, very little moisture taking place, and temperatures were very high in ma places. The trade is convinced that the crop will be a short one, although few of them venture to make a guess as to the quantity wh willfinally be raised. The corn market was strong during all the session. It is difficult to accumulate any stocks; the visible supply decreased again 63,000 bu, and has now been reduced to 4,617,00 bu.

Oats and rye advanced in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
C AGO BOARD OF TRADE
EW RK PRODUCE EXCHANGE
NE ORK COCOA EXCHANGE
W Y K COFFEE AND SUGAR EX.
CO IODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 28, 1936.

Interest in wheat prices is growing and becoming more world-wi e. Even at Buenos Aires, which on account of a short Argentine cr p is practically a local market, prices suddenly advanced 4¢ per bu This is entirely due to recognition that wheat supplies generally are likely to be scarce after the turn of the year, and that they wi l not be compelled to dispose of the new crop except at prices sa isfactory to their farmers.

Liverpool continues to show strength, futures there advancing rm 5/8 to 1 1/4¢ per bu; and right now that market is at a bigger rmium over Winnipeg than at any time on this crop. This we think is due to the fact that it is now generally known that of the 35 ntries in the Northern Hemisphere, there are very few outside of th Balkan states which produced more wheat than a year ago. For se which might have any excess it will not amount to a great deal, as no bumper crops were raised anywhere.

Under these circumstances conditions in the United States, which ae been based chiefly on a domestic situation, may now also derive de benefits provided the price level abroad will also be raised. hs particularly so as it is always well to bear in mind that both c quantity and quality we shall be compelled to be importers, and ll have to pay a 42¢ per bu duty on Canadian wheat, which will be-ce a necessity for our millers before the season is over.

There were again no rains overnight in Canada, and prospects in that country must continue to deteriorate.

Our primary receipts, as expected, are decreasing now, being day 2,097,000 bu compared with 2,594,000 bu last week. Also receipts t interior points are very much smaller than recently, at ten stations day amounting to 872 cars, and for the first time since the real what movement started is less than 1,000 cars. If we consider that rmary receipts up to date, with the first month of the crop not yet ute gone, are over 80 million bu versus total primary receipts the vious season of 226 million bu, and 160 million bu in 1934-35, one ders how small they possibly might be after the turn of the year. t is quite true, one cannot accurately predict the percentage of rmary receipts by the size of the crop, yet they do not vary materilly from one season to another; we do not presume that this year ill be a great exception, although probably higher prices will bring u more wheat from farmers than in years when there is depression and satisfaction.

Our open interest is now increasing almost daily, showing that dfidence has been restored. The wheat total last night was 86 milin bu, and easily 30 million bu more than when it reached its low nt. There is nothing in sight at present on which to anticipate a ersal of sentiment, and we believe considering the shortage of all ter cereals, with more prosperity in the country that more wheat il be consumed and wasted, that a fairly high level of price will tinue to prevail, at least until another crop comes on the market. t the close there was an advance in the leading future of 1 1/8¢ e bu compared with yesterday.

During the last 24 hours it has been demonstrated that it can tll rain in this country. Nebraska, Kansas and Missouri, which tes have suffered for such a long time, have been blessed with good npours. There was also precipitation in Illinois and Indiana, but h effect on the price of corn was next to nil. It is assumed that matter what happens from now on the crop will be a short one, as much irreparable damage has been done already, although it may e some difference eventually in the size whether weather from now n will be favorable or not. One hears only of extremely low estimates part of those whose judgment is worthwhile, and we think this will confirmed by private experts when they give us their conclusions on ust 1.

The corn market held strong with very few reactions. Rye and s both closed higher in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
W Y K PRODUCE EXCHANGE
NEW ORK COCOA EXCHANGE
Y YO COFFEE AND SUGAR EX.
COM ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 29, 1936.

It was reported that export sales of wheat from Canada overnight mo nted to 4 million bu. It is always difficult to obtain actual ig res, sometimes exaggeration takes place, but when it is considered a Liverpool futures have advanced now the third day in succession, hows quite plainly tha t they are aware of the changed world wheat t ation, and were compelled to be heavy buyers. European supplies re small compared with other years. Their crops are also deteriorat- g in some places, with rather poor weather conditions, and being al- s entirely dependent upon Canadian supplies for the next five or x months the Liverpool market is very susceptible to any adverse w from North America. Futures closed in that market 1 1/4 to 2 3/8¢ r bu higher than the previous day.

They were no doubt influenced by the private estimate given out serday afternoon by the Searle Grain Company, of Winnipeg, estimat- g the yields in the three western provinces at only 215 million bu. nda has now had four weeks of unusually high temperatures and the ifall during the past two months was absolutely insufficient, causing e unprecedented drought. The early June estimate was 400 million bu, d the latest one of 215 million bu, which is generally accepted by the ae as being correct, is so extraordinary that it changes the whole rd picture. Furthermore the official map again showed no precipita- o overnight, and while temperatures are moderate no further moisture n sight. We believe the crop has advanced so far now that even ly rains could not repair much of the damage, and we are so close he final harvesting period in the Northern Hemisphere that we now stively know there will be a very short world wheat crop, and it not possibly be any different no matter what weather changes might k place from now on. As far as Canada is concerned it now appears f old and new supplies together would be approximately from 80 to 0 million bu less than on August 1, 1935.

In the United States we believe that both private and govern- n reports will show a further decrease in the yields of spring et, but an increase in winter wheat, as the threshing returns have ed out better than expected. We also believe, judging from the y harvesting returns, that the quality of the spring wheat will be m what better than last year when there was lots of very low test et, 45 to 50 lbs. The combined crop of spring and winter wheat will nder normal consumption, and with the amount of extra feeding to als this year on account of the high corn prices, we anticipate consumption will be way above normal. We shall, therefore, de- continuously on Canadian importations, and the amount available that country for Europe will be correspondingly reduced. No mat- how one figures both domestic and world wheat supplies will be so ely adjusted to consumption that the high price level is in order, we see no great pressure from any source until another crop is ed.

Primary receipts show a considerable falling-off compared with week, 1,975,000 bu versus 2,551,000 bu, but are still somewhat er than last year when they amounted to 1,802,000 bu.

The milling demand at the present time is rather indifferent, umers having laid in large supplies on the early upturn, but of se stocks will have to be replenished soon. In the meantime pre- s are being maintained, the movement is slowing up, chances are of much spring wheat reaching terminal points, and consumption oing on at a satisfactory rate, and will continue for eleven months before we can rely on a new crop. This creates a very healthy ation.

The upturn today was very considerable; while the highest prices not maintained the reaction was comparatively small, and the lead- future showed an advance of 2 3/4¢ per bu in comparison with the ious close.

Corn was also very firm, the crop is still going backward. y in sympathy with wheat and partly on its own account prices con- ed to rush upward, showing another big advance.

Oats and rye also received recognition and were in much demand he advanced levels.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
O BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 30, 1936.

The destruction of crops this year on account of drought has so severe that comparisons are continually made with the worst ght year in recent periods: namely, 1934. However, as generally the size of the crops of 1934 and 1936 are considered, we think s well to mention all other important factors which have a bear- on the price level. As far as wheat is concerned, the 1934 crop one of the smallest ever raised, amounting to 496 million bu, but carryover then was 292 million bu, making total supplies 788 mil- bu. This year, taking the latest government estimate, we arrive he figure of 638 million bu, and with an estimated carryover of ittle less than last year, we would have total supplies of 780 mil- bu, or 8 million bu less. The situation in Canada, however, was more favorable then for supplies. She raised that year 275 mil- bu, with a carryover of 204 million bu, or a total of 479 million . This year, on the assumption that Canada will produce 230 million , and with a possible carryover of 135 million bu, she would have 365 million bu, or 114 million bu less.

As far as corn is concerned, supplies on July 1, 1934, were 4 million bu, and this year 392 million bu, or a deficiency of 82 ion bu. The crop then was 1,377,000,000 bu, consequently it would ire a crop of 1,459,000,000 bu to give us the same total supplies. it will be nobody can tell yet because the weather during the h of August might make a great deal of difference. In any case, ver, we do not believe the excess will be very considerable, icularly as it also has to be taken into consideration that under al conditions consumption for both wheat and corn are increasing what every year. In both years, of course, other cereals and ures suffered from the great drought, except that we think this on the fruit crop is particularly short, and as this is also human it is very often substituted for others.

Foreign markets continue strong and Liverpool wheat futures ad- ed for the fourth consecutive day, today's rise being 3/4 to ¢ per bu. The price of July wheat at Liverpool is higher now it had been quoted since England went off the gold standard. In , the present price was not touched or exceeded since July, 1930. reason for this strength is so obvious it is hardly necessary to ion it. The importing countries are so absolutely dependent this on on Canada that the higher level there cannot be ignored, and pean millers will simply have to pay the prices which are accept- by the Canadian exporters. It is true, there will be some minor ments from the Balkan states, and the Black sea cleared this week 000 bu versus 16,000 bu last year; but the total quantities obtain- outside of North America will remain insufficient, always provid- ssia will not become an exporter, but sometimes that country has rised the world when prices were unduly high.

The primary movement continues to be fair and no doubt farmers offer wheat freely for a long time, as long as prices advance. y recession we think the movement would decline considerably. were 1,131 cars received today at ten important points. Primary pts were 1,933,000 bu against 2,633,000 bu last week and 2,091,000 year. We believe this is virtually the first day on this crop wheat receipts were somewhat smaller than on a similar day last on.

There were good rains reported overnight in some points in s, and also some showers in Nebraska. This undoubtedly is quite able for pastures and will be beneficial for seeding of the new provided more will follow. Pessimists have already been looking fearing that with the lack of subsoil moisture now for several the outlook for seeding the new crop in the Southwest would be unfavorable unless more moisture would be forthcoming in the

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meantime. After all we are only five to six weeks away from the ti when the farmer will get busy in his fields. There is no question that the deficiency of subsoil moisture has to be made up sooner or later, but Nature usually can be relied upon to furnish the right ki of weather in the long run so that extreme calamities will not occur

There was no precipitation, however, in the Canadian provinces and this is practically the only territory in North America where th final outcome of the wheat crop could be influenced by weather conditions. Even there we think it is getting rather late, as wheat cutting is expected to start generally in Manitoba on August 1, in Saskatchewan on August 4, and in Alberta on August 8, so that only the late wheat results would be subject to any material changes from now on.

The undertone of the market was quite strong again and further advances were in evidence early in the session but profit taking took place at times bringing about reactions with closing prices showing an advance of 1 1/4¢ per bu for September wheat.

The corn market was largely affected by the absence of rain in the great corn belt and it is assumed that precipitation in the Sout west is too late to do the corn any good. There were also large headlines in the newspapers giving the views of the Secretary of Agriculture on the present outlook of the corn crop, which was construed as rather pessimistic, at least to the extent that if the month of August, which is a very important one, should bring unfavor able climatic conditions final results might be so poor that there would be a real disaster. In the meantime even the steadily advanci prices do not bring very heavy receipts, and primaries today were 539,000 bu compared with 662,000 bu last week and 423,000 last year.

Oats and rye were very strong. The bullish feeling spread to these pits with a somewhat enlarged speculative trade in evidence.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
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RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO July 31, 1936.

Seldom do wheat traders abroad become very excited unless for a ubtantial reason; therefore, the sharp advance in Liverpool futures to 5 3/8¢ per bu is quite significant. We believe this sudden ngth following four or five days of moderate upturns in their e level was stimulated by a new factor in addition to all other ish events: namely, the fear of a wet harvest in Europe. Of course alone would not have been of prime importance because in all probity most of the wheat raised can be saved and the delay in harving overcome, but Europe also has an eye on Canada, where again no ture was reported overnight, and where crops must still be deteating.

Sanford Evans, as of July 29, reports that except in northwestern rta precipitation during the past week has again been far below mal; and at 25 out of 51 of the official reporting stations in the rie provinces no rain at all was recorded, and in other parts the ture was quite insufficient also. He further thinks that western ada will probably harvest a very small crop, with probably the st average yield per acre in any year since 1919. We find in year the results were 9.32 bu per acre, and this on the present age would be 210 million bu. However it is still possible that crop will not be quite as bad as it was in 1919, but it will be l enough to drain that country of her supplies. The latest res from Ottawa give Canadian clearances from August 1, 1935 July 24, 1936, as 217 million bu, and if we add one more week the ve months exportbusiness, including to the United States, was a le over 220 million bu, slightly less than the probable production year. If we further consider that the normal consumption in ada is 110 million bu, which might be fractionally more this year ccount of feedstuffs also being very scarce, it would take the est share of the carryover of 135 to 140 million bu, so that in ase will Canada have any more wheat to spare than in 1935, even gh her carryover might be reduced to a minimum.

The Department of Commerce announced that imports of wheat from da for the week ended July 25 totaled 925,000 bu, and for the od since July 1 amounted to 3,731,000 bu compared with only 000 bu last year. It certainly appears as if the United States d be a larger purchaser this season than last, and, therefore, e would remain correspondingly less Canadian wheat for European s. According to all information, however, importing nations require more than last season. Broomhall estimates the total in Europe, exclusive of Russia, as the smallest in five years the season just about to close, 1935-36, constitutes a record of smallest takings by Europe and non-European countries, (United es excluded) amounting to only 457 million bu. Following the small of 1932 world imports were as much as 770 million bu. We fully reciate, of course, owing to financial and political changes, the onalistic feeling and increasing acreages that no such top figures, entioned, are likely to be repeated in years to come. But on the r hand we doubt very much whether importing nations can get along as little wheat as last season. They certainly will require more ng the next five months; but should the Argentine crop come ugh in good shape that country undoubtedly, on account of the price prevailing, will ship more than her usual quota of her crop January to July, and, therefore, the situation will be eased some-.

As far as the domestic situation is concerned, there has been ange from what we knew before; the same tendency of a reduced move- continues. Primary receipts today were only 1,988,000 bu comd with 2,335,000 bu last week and 2,198,000 bu last year, and this pite of the fact that temptation must be great at these prices for ers to sell both their stored wheat and farm stocks. Average wheat at Kansas City is selling at $1.20 per bu or more, which ainly means very remunerative prices to the farmer. We look for her large increase in the visible supply on Monday, although very less than the previous week, but probably larger than a year when it was 5,525,000 bu.

(OVER)

The way it appears now the foreign situation is really even stronger than the domestic one. As far as the United States is concerned, with moderate importations we shall pull through all right but we might have to reduce our carryover some more from the previous season. However this would take place anyhow, as with such high prices nobody will be inclined to have large supplies on hand when the next crop starts to move, assuming that we have normal weather conditions later.

After an advance of almost 4¢ per bu compared with yesterday's closing figure, profit-taking took place on a very extensive scale, and prices crumpled so that the final advance for the leading future was only 5/8¢ per bu. This is a rather poor response to the higher cables. There will be no Liverpool market either tomorrow or Monday.

With no further precipitation the corn market continued to soar, and has now reached very fantastic prices. With September cor considerably over the dollar level, we just wonder how much consumpti can be reduced. The consumption of corn is much more variable than that of wheat, and when prices become too high animals are shipped to market instead of being fed.

Oats and rye sympathized with the other cereals and closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 1, 1936

Liverpool markets being closed today, we missed the usual guide
les as an indication of wheat values abroad. Furthermore, no
usiness is likely to be transacted during the holidays in the
Kingdom. Of late the large overnight purchases at Winnipeg
here have been a stimulating factor. This situation caused a
weak feeling shortly after our opening. However, we were not
ntirely without bull news from abroad. It seems that continued
wather in Germany is delaying the harvest; weather conditions in
are uncertain, reducing the estimate of her yields, and it has
een raining in the United Kingdom, where sunshine is badly needed.
eely high temperatures continue in Russia over a large part of the
wheat territory, and Broomhall expects no wheat surplus at all
t country this season. This reduces more than ever the number of
ties which will compete for export business this year, as there is
one that has large amounts of wheat to spare except Canada.
ore, continued dryness in the three Canadian provinces makes it
kly that world crop estimates will be increased, and, on the con-
creates fears of further deterioration, which is very important.

As of July 24th, Canadian wheat stocks were 136,739,000 bu com-
to 217,558,000 bu during a similar period the previous year, or
lion bu less. On the assumption that their crop will be consider-
maller than a year ago, it is quite evident there will be a very
wheat situation the world over before this season is over. This
e more so as, owing to the high prices of feedstuffs, there is
ossibility of a larger consumption than in 1935. Altogether
is a bullish array of statistics such as the trade has not seen
long period.

The advance of about 9 cents during the week may easily be ex-
d as not due, as often is the case in bull markets, to specula-
urchases based on sentiment, but entirely to recognition of facts:
, we will have to contend with extremely short crops in this
y; there are very small supplies all over the world, and the corn
k is more or less of a disaster.

As far as our domestic situation is concerned, there was nothing
heerful reported during the whole week. Precipitation in Minne-
for the week ending July 28th was .15 of an inch, at reporting
in North Dakota .04 and in South Dakota .41. The whole country,
lly speaking, was dry and according to the forecast for the next
eight hours and the long-time prediction for the week not much
agement is indicated for moisture. The best that can be said is
he hot wave probably is broken and temperatures are and probably
emain much cooler.

There was a private report out today by Mrs. L. H. Miller estimat-
combined crop of 651 million bu for winter and spring wheat.
s not a material change from the last government figures.

Speculation continues to increase, the volume of trading is much
and the open interest is now almost 90 million bu.

Primary movement shows the same tendency as heretofore: namely,
r than the previous week and the previous year. Today's receipts
,837,000 bu versus 2,567,000 bu the previous week and 2,518,000
t year. Stocks at Kansas City, Duluth and Minneapolis so far
e week show an increase of 2,444,000 bu, and we look for a siza-
dition to the visible stocks next Monday, but nothing like it
st week.

The corn market after a weak opening became extremely firm.
ekly outlook, as mentioned above, is for a very small amount of
itation, and if August weather conditions should also prove to
avorable, we certainly face what is considered almost a disaster
at cereal and will force the greatest economies in feeding to
s through. The feeling became so rampantly bullish that both
ber and December corn advanced the full limit permitted in one
¢ a bushel.

Oats and rye sympathized with the other cereals, closing much
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UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO August 3, 1936.

When we speak of great drought years, we have in mind, first of ll the year 1881, which so far stands out for the extreme in low on production in this country. Then followed two generations before equal disaster occurred: namely,the year 1934. This was followed y another semi-drought year in 1935, and in 1936, with only one year rvening, we are again confronted with drought destruction only a le less than in 1934; but unless the weather is reasonably favor- le in August it might be as bad as it was then. Therefore it is no ggeration to say that nobody has ever seen a situation such as s because the cumulative effects of such short crops in rapid cession are bound to bring about a reduction in supplies which is ost unprecedented.

As far as wheat is concerned, of the exporting nations the only ntries which seem to have better crops than last year are Bulgaria, gary and Rumania, where the wheat production is estimated about illion bu larger than in 1935. This is partly offset by smaller ds in French colonies: Tunis and Morocco, where 13 million bu might be raised. Of the major nations, Spain will probably pro- 32 million bu less, Germany a little more, but France will have smaller yields, although probably sufficient for home consumption, she will no longer be able to put any wheat on the world market. y's outlook is also poor. Production in England never varies from one year to another and is very small in any case. It is rkable how much wheat and flour she is able to absorb, and during last twelve months imported about 220 million bu, a tremendous entage of the total requirements of all importers. With prosperous s in the United Kingdom this demand no doubt will continue. Until Southern Hemisphere harvests this year's crop, early in January, , Canada will be relied upon almost exclusively to supply the s of all those nations which have not raised enough for home con- tion. However Canada also might be sorely pressed to fill these ous tasks. Nobody figures now that from present outlook her crop carryover will exceed 360 million bu, of which at least 110 million ill be needed at home, which would leave only a surplus for ex- of 250 million bu, including what the United States requires, out a bushel remaining at the end of the season.

As far as the United States is concerned, with the corn crop il deteriorating and prices advancing, we certainly have to figure ncreased consumption for wheat feeding to animals; and whichever we look at it there is bound to be a very tight situation. This ll well known, but,nevertheless,after a very strong opening prices ined considerably during the session. This hapened although ide markets were strong, particularly Winnipeg, and Kansas City res were selling comparatively higher than ours. There is only explanation: namely, that profits have been so large and so tempt- to a great many speculators that they could not resist taking ntage of the bullish situation and realizing on a very large e. There were not sufficient buyers in the market at times to rb these offerings except at concessions. However after liquida- was over corn gained renewed strength, and with the general be- that underlying fundamental conditions are sound, a quick re- ry in wheat took place, the close being 7/8¢ per bu higher for leading future.

The real picture has not changed --in fact, Broomhall cables there were excessive rains again in western Europe and Germany, that it was also raining in the United Kingdom. This will ac- uate the fears of a wet harvest abroad, and should we have higher s in consequence tomorrow new buyers no doubt will come into the t.

In the meantime there is a considerable dropping-off in the

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movement, primary receipts being only 2,941,000 bu versus 3,625,000 last week and 2,954,000 bu last year. So far primary receipts of wh the month of July to August 1, inclusive, amounted to 89,617,000 bu compared with 35,082,000 bu last season. As the government makes th crop only approximately the same as last season, it is quite evident that from now on, by way of comparison, we may expect much smaller receipts from week to week, and also much less from now on than we received in 1935.

The visible supply showed an increase of 7,578,000 bu compared with 5,525,000 bu same time a year ago, and is now 67,494,000 bu, or almost 33 million bu larger than in 1935. However we look for very much more moderate increases from now on. Chicago stocks actually decreased this week 16,000 bu, and we think the heaviest movement is over from the territory close by.

The corn market continues to show great strength, as no precip tion to speak of was reported during the last 24 hours, nor is there much rain in sight for the present, and crops are deteriorating further. Old supplies are also extremely low; the visible supply is only 4,664,000 bu, and increased 47,000 bu during the week. The tempting prices which are being paid shows that the farmer is reluctant to sell his stock until he knows just how much he will harvest later on. There is no question but that heavy importations of Argentine corn are taking place right along, and, therefore, it is interesting to note how much that country might have to spare. She exported during the 1935-36 crop year 273 million bu, and during the 1934-35, 231 million bu. As Europe is so largely dependent upon thes feedstuffs there is a limit as to how much there is to spare for thi country.

Oats and rye acted independently strong, following more the fluctuations of corn than of wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 4, 1936.

Estimates by private expérts on the combined winter and spring ne t crops in the United States were much as expected; figures on the or ng wheat were reduced, while on the winter wheat crop they were ai ed. The total was given as 633 million bu, compared with the ov rnment's estimate in July of 638 million bu, and much the same s last year. Inasmuch as in the previous season we had consumed all e aised, cut into our carryover from 5 to 15 million bu, and imported bo t 35 million bu, it is quite clear that we shall at least have to he same this year until another crop comes on the market. In fact ay need additional amounts in case animal feeding should be heavier n normally. This makes it quite plain that as far as our domestic ation is concerned, it has a very sound foundation and high prices re justified.

The estimates on the Canadian crop were about as low as/any which had been vn out: namely, for the three provinces only 206 million bu. This, t about 14 million bu which the balance of Canada will produce and million bu carried over, would give total supplies of 360 million . Deducting 110 million bu for consumption, there would be available r export and carryover 250 million bu. If the United States alone d take about 40 million bu, the amount left would be smaller than s was exported the past twelve months. Europe, therefore, will v to depend upon other countries to fill her needs. They calculate t great confidence, on the good crops which had been raised in the an states, and which might supply possibly 60 million bu. Other- s there is no large exporter in sight until Argentina and Australia est their new crops in January.

During the first month of this crop year importing nations have n 36,311,000 bu against 34,803,000 bu in 1935; and it is the first n in a long while that foreign requirements exceeded those of the previous. There had been a steady falling-off for a number of s from the high point of as much as 750 million bu or above for ve months. Inasmuch as European stocks are abnormally low, the umption is that she will be able to absorb much larger quantities year, although on account of the higher price the Orient may take s.

Liverpool wheat cables did not quite follow the full rise in ies which had taken place at Winnipeg while the Liverpool market closed, but nevertheless they showed a final advance of 2 3/4 to 8¢ per bu compared with last Friday, their last trading day.

Weather in Europe is still rather unfavorable for harvesting, r rains have delayed field work, and with the exception of the an states the production in most of the larger countries will be than in 1935.

There were light to moderate rains during the past 24 hours over Dakotas, Nebraska, Iowa and the Texas Panhandle, but elsewhere weather obtained. More showers are indicated for isolated dis- its, but nothing has happened as yet to relieve the great drouth. ar as wheat is concerned, we do not think that the weather from on will make very much difference in the final results.

Receipts in the interior show a great dropping-off, ten various rtant points received only 620 cars. Primary receipts were 1,000 bu versus 2,097,000 bu last week and 1,668,000 bu a year We think that from now on increases in stocks will be very small, that new arrivals will be taken care of by current demand.

The market for the most part of the day was weak. We do not eve this is due to any changed conditions, but yesterday's realiz- sales had been very heavy, and evidently the large quantities which been put into the market have not yet been thoroughly digested. he close the leading future of wheat showed a decline of 3 1/8¢ bu compared with the day before.

Corn receipts in spite of the high prices are only moderate, rimary points amounting to 640,000 bu, whereas a week ago they were 000 bu. It seems difficult to accumulate large stocks, and the crop future remains the strongest, selling at a big premium over new ones. This cereal declined today in view of some rains which rred in the corn states, and more is expected, although no general ef is in sight. Oats and rye declined in sympathy with the r cereals.

The great advance which has taken place in wheat, corn and oats t to be of immense benefit to many of the European countries. tically of them have had an agricultural problem, which is now g solved. The high prices will undoubtedly enable the farmer in places to get on his feet again, and increase his purchasing r. In this way the whole world trade might be benefited.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO August 5, 1936.

To show how the world situation has changed recently, we wish to out what happened during the last month. Chicago September wheat ly 7th during the session reached a price of $1.10 1/2, which d to be the top for a long time, and today trades were frequently at the same level. On the same day Liverpool October wheat closed ¢, and today at $1.17 3/8, or an advance of 18 3/8¢ per bu. It is true, our market declined sharply on July 7th, final figures $1.06; next day Liverpool declined to 97 1/2¢ per bu. In any during this period there has been a gain between the two markets vor of Liverpool of about 15 to 18¢ per bu.

During this same period Winnipeg futures gained on ours about er bu. Our original advance was based chiefly on the short crop e United States, which would put us on a strictly domestic basis. e feel that the world situation is more important than our domes- ne, and is comparatively even stronger. As far as our domestic ies are concerned, with a crop of approximately 635 million bu, mportations of probably 35 to 50 million bu, we shall pull through ight unless the foreign demand should become so urgent that it be more difficult for us to obtain the needed supplies from a.

However it is different with Europe. We figure that Europe and uropean requirements for twelve months will be at least 470 mil- bu. For the present the only country which can supply large ities will be Canada; with a crop of 220 million bu, of which 110 on bu will be consumed at home, she would have left only 110 mil- bu of this year's raisings, of which the United States will need llion bu, leaving 70 million bu for shipments across the ocean. ing she reduces her carryover stocks 80 million bu, it would mean al of 150 million bu. The Balkan states may furnish 60 million nd Russia and other countries 40 million bu, or a total of 250 on bu. In a normal year the Southern Hemisphere produces 250 on bu for export, of which 70 per cent is usually shipped between ry 1st and July 1st. This would give an additional 175 million r a total of 425 million bu. With extraordinary efforts and very prices, of course, the balance can always be scraped up, and the ern Hemisphere might ship more. In any case it is quite plain the supply and demand situation is so closely adjusted that only prices can bring out the last bushel which will be needed.

Before our session opened we were confronted with reasonably g cables, but on the other hand copious rains had fallen during ast 24 hours over Nebraska, Kansas, Iowa, Illinois, Indiana and - probably the best we have had for some time. It was quite nt that corn speculators would be more or less alarmed that this l would sell lower, and possibly have a sympathetic effect on values. This actually proved to be the case early in the on, but bull news on wheat became so strong that it finally changed ment materially, prices showing an advance for the leading future 1/8¢ per bu over the previous day.

Winnipeg showed strength all the time, and Liverpool's close d a gain since yesterday of 2 to 2 1/2¢ per bu.

Broomhall continues to call attention to the cool, wet weather iling in most parts of central Europe, which will delay cutting hreshing of the new wheat, and necessitate large importations od, dry wheat.

In the United States the movement is gradually receding quite derably. Primary receipts were 1,368,000 bu compared with ,000 bu a week ago, and 1,920,000 bu last year. There is also a

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DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
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OM DITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 6, 1936.

Commencing with the years 1930-31, probably due to the wheat ac-
ur lations of the Farm Board in the United States and through with-
ol ing of stocks in Canada, the world started on a tremendous over-
r duction. To illustrate:

Year	World Production
1930-31	3,847,000,000 bu
1931-32	3,860,000,000 "
1932-33	3,865,000,000 "
1933-34	3,809,000,000 "

i all exclusive of Russia. The consequence was that depression
ri es began and the average price for English parcels, which in 1930
s $1.30, declined the following year to 79¢, in 1932 to 60¢ and in
to 54¢. These low prices and inclement weather changed the
rd production, many countries reducing their acreages. There was
duced in 1934-35 - 3,514,000,000 bu
1935-36 3,530,000,000 "
1936-37 3,509,000,000 "

r ng the last two years the world lived partly on the accumulated
c ks from the four previous years of high production, and more of
hi will occur this year, when it will be more severely felt, as
c ks have already been more depleted. This clearly indicates how
e whole world situation has changed from over-production to a point
nder-supplies. If this assumption is correct there will be more
ess of an acute situation later on; but this naturally will be
l more as time goes on, and, therefore, many impatient holders of
e t might be discouraged in the meantime.

During the crop-growing period fluctuations as a rule are the
rest, owing to the many uncertainties and changes which occur in
e weather. This part of the romance is over; but we look forward
o sharp falling off in hedging sales and soon the period will ar-
iv when the opposite transactions will have to take place: namely,
d es will be removed as terminal stocks will decrease later on.

Cables were rather disappointing today, although a reaction
r ad was quite natural as their market had not only advanced with
r , but had gained on us much more and the price rise was tre-
n ous. Closing quotations at Liverpool were 3/4 to 1 5/8¢ per bu
w r than yesterday except on the March delivery which declined
7 8¢, and is a reflection of hopes of bigger shipments by that time
o Argentina. Somewhat improved weather in Europe may have been
s onsible for the weakness abroad, but fundamental conditions re-
i unchanged everywhere. Broomhall is more than ever convinced that
s ia will export very little wheat this year, although she cleared
illion bu the last twelve months.

The open interest has been more or less at a standstill of late,
i g 89,369,000 bu, and while this is quite an addition from the
point it seems traders and speculators are more careful now and
i ently not increasing their lines.

The weather in Canada remains dry and the weekly crop report
o the Canadian government is rather discouraging. It indicates
general way persistence of heat and drought throughout the
inces, causing a further decline in prospective grain production.
arvest is now on in many places and increased receipts at
ipeg before very long are in sight. However, we believe that
the domestic and export demand improving, also adding shipments
e United States, no great hedging pressure will be felt.

(O V E R)

Primary receipts continue to be lighter than heretofore, being 1,323,000 bu versus 1,931,000 bu last week and 1,729,000 bu last yea. We think the crest of the heaviest movement has long been past. There has been a decided narrowing of late between September and December wheat, which we believe is only temporary. It seems some of the elevator concerns started changing over their hedges and others followed, but it has now reached a point where we think it would be unwise to figure that this will last. It is true, cash wheat is still bringing big premiums but with no carrying charges whatsoever we believe that finally these premiums will decrease until a point is reached where deliveries on September contracts can be made profitably.

At the close the leading future of wheat showed an advance of 1/4¢ per bu for the day.

Some fancy premiums are being paid for special grades which are particularly scarce; Duluth Durum wheat futures are selling around $1.40, and #1 and 2 malting barley sold today at $1.15, which is the highest price since 1934.

The corn market was rather weak in consequence of further rains being reported in Illinois, Missouri, Indiana and Ohio. However we are afraid no matter what the weather will be from now on the corn crop will be a very short one. The high price for the September delivery is bringing out larger offerings, and primary receipts today were 615,000 bu against 539,000 bu aweek ago, a nd only 163,000 bu in 1935.

Oats and rye did not share the excitement of the other cereals, and closed somewhat lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
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COCOA EXCHANGE
OFFEE AND SUGAR EX.
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UHLMANN GRAIN COMPANY
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MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 7, 1936

The primary influence on the wheat market today was undoubt-
the weak cable. Futures at Liverpool declined 1 1/2 to 2 5/8¢
our great strength here yesterday. However, the chief de-
as in the March delivery, which is now selling there at $1.06 ¼
t 9¢ under their October wheat.

Traders abroad evidently recognize the comparative scarcity
the next six months, but figure that the situation might change
rch should Argentina and Australia harvest large crops. This,
se, is possible but it is a little early to figure on it because
rowing crop is now at about the same period as our winter wheat
e on the 7th of February, at which time nothing much can be said
ng final results. Weather at the present time is reported
le, and in fact farmers are still seeding wheat in the South of
na, being anxious to obtain the satisfactory prices now ruling
ort.

In the meantime, actual shipments from the Argentine are very
584,000 bu versus 2,935,000 bu similar period last year; and
stralia 955,000 bu against 1,013,000 bu in 1935. Clearances
rth America were 4,940,000 bu compared with 2,548,000 bu the pre-
ear, showing a tendency at the moment to draw on North America
plies. Furthermore, the visible supply of wheat in Australia
11,496,000 bu versus 32 million for the corresponding week a
go. On basis of the government estimate of production, the
ver will work out about 28 million bu against 47 million on Aug.
935. Canadian visible wheat stocks on July 31, 1936 were
2,000 bu compared with 191,024,000 bu last year, or 75 million
s. In both cases stocks in farmers' hands, wheat in transit
ocks owned by mills are not included, so the actual carryover,
rse, is much larger. It is therefore apparent that old sup-
in the chief exporting countries have been much reduced.

There also was white wheat offered abroad yesterday, sales
ut 100,000 bu of Pacific Coast wheat having been consummated,
had a sentimental bearish effect abroad, together with the period
g near when supplies from the Balkan states will be more liberal.

Weather in Europe is improving. We ourselves believe that
present time too much attention is being paid to the cables. The
of wheat has two chances this year, and even should he be wrong
he might still win out on the other: namely, the United States
might get the benefit of the generally higher level of wheat
in the world, or he might profit from the strengthening of the
ic situation.

Weather continues to be dry in Canada, and while we presume
ther damage is likely at this late stage, the crop in the three
n provinces is bound to be very small.

Primary receipts in the United States are dropping off at a
ast rate, total today being 1,262,000 bu compared to 1,988,000
ing a similar period last week and almost 1 million bu less than
ear when they were 2,250,000 bu. Receipts at primary points in
terior are also much smaller, ten points receiving only 639 cars.
this week stocks at Minneapolis, Kansas City and Duluth show an
se of 1,446,000 bu and we believe the total increase in the Vis-
upply will be much smaller than last week and also considerably
han last year when it was 8,385,000 bushels.

At the close the market showed a decline of 2 1/4¢ for the
g future compared with yesterday's closing price. Winnipeg market
the greatest weakness, and probably pressure of hedging sales
is being felt, this particularly so on a day when markets abroad
eak and consequently export sales were consummated on only a small
On the other hand, Kansas City market was extremely strong
eat there is bringing high premiums and is going in all directions
lers.

There were showers over night in Nebraska, Kansas and
ri, but fair weather has prevailed elsewhere and therefore has
ather unfavorable for corn in the great belt. Nevertheless,
eclined somewhat, mostly in sympathy with wheat. High prices
t bringing out any more corn than is actually needed. Broomhall
tes the total amount of corn remaining in the Argentine for ex-
t only 250 to 260 million bushels, of which a large percentage
lready been sold to go out, so at best United States will not be
o import extremely large quantities unless very high prices are
or it.

Oats and rye were lower sympathetically with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
O BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 8, 1936.

Liverpool was quite steady today considering the weakness in American markets yesterday, and this we believe was occasioned favorable weather abroad with cool and showery conditions prevail-. Some very low estimates arestill being received from Canada, and innipeg Free Press claims that the present crop is the smallest 1919, but in spite of this, importers remain cautious as many xpecting a heavy and early movement from Canada, despite the fact the crop is a very small one. Wheat harvesting is extending ly and should be fairly general throughout the western provinces xt week.

In analyzing their situation, and even figuring that highly able weather for harvesting continues, we cannot become very bear- n their futures. It is true that temporarily a comparatively movement for the size of the crop will be witnessed and probably r hedging sales may be a factor. However this cannot last very Assuming that the three western provinces raise 185 million bu eat, and deducting about 55 million bu which never move to termi- arkets but instead are used at home for seed, feed, etc., and by ior mills, there would only remain about 130 million bu actually marketed by farmers. We assume there will be needed weekly about llows:

2,000,000 bu for mills in Canada
1,000,000 " for export to the United States
5,000,000 " " " " Europe,

g weekly requirements of 8 million bu. Without figuring on the over the new crop movement could be absorbed in 16 weeks. Further- as usual before the close of navigation, large quantities of will have to be shipped to eastern ports to provide for the de- during the spring months. It is, therefore, evident that no great ulations are likely to take place. Should their market become rarily weak, we feel that good buying opportunities will present elves.

Our conviction is strengthened by the bullish interpretation we place upon the Canadian government report, which was issued about an hour before the close. The Ottawa Government places ondition of wheat in the provinces at 45 per cent against 82 ent last month; and on that basis we do not think that the crop be much more than 185 million bu. This is a terrific reduction what was anticipated six weeks ago, and will probably go down in ry as a calamitous year for Canada.

Markets immediately upon publication of the report responded, e believe on Monday that Liverpool will also take cognizance of news.

Our primary wheat receipts today were extremely light, only ,000 bu compared with 1,837,000 bu last week and 1,938,000 bu last Likewise receipts at interior points are decreasing, and at ten ons in the Southwest only 613 cars of wheat were received. Stocks this week at Kansas City, Minneapolis and Duluth show a net in- of 1,722,000 bu. A moderate increase in the visible supply is ted on Monday, but from now on we believe the increases will be modest.

Meanwhile public participation in the market is enlarging, and close last night the open interest was in excess of 92 million bu

According to the report of the Bureau of the Census on Flour , of those mills reported, the total for the year was 455 mil- bu of wheat compared with 440,605,000 bu on the previous crop, ating a fair increase for human food. We call attention to the that about seven per cent of the mills do not report, but it be assumed that their grindings were in about the same ratio.

Taking all the news now available we see nothing to change our usly expressed bullish attitude. There will be no heavy accu- ions anywhere in North America, and with any increase in the n demand markets could easily sell higher.

Corn, as well as the other cereals, recovered in sympathy with . Conditions in the corn area are rather mixed and vary widely, ding to fields examined. Some places claim almost a total failure, the next field appears as though it might produce quite heavily. r only a small crop is in sight even with favorable weather from ; and therefore we do not look for any very low prices this .

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
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ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

August 10, 1936

Possibly never before in history did Canadian wheat prospects
n one month as they did during July in the three western provinces.
n indicated condition of 82 per cent of normal, the outlook on
1 was only 45 per cent of normal, so that the crop has been
cally cut in two. The Dominion Bureau of Statistics added be-
the remarks that there might be further deterioration after
1, on account of the continued hot dry weather. The long-time
e yield per acre as compiled by the Dominion Bureau was for:

Manitoba 16.8 bu per acre
Saskatchewan 16.3 " " "
Alberta 18.0 " " " and an average for
all Canada of - 17.1 " " "

ng the probable results on that basis would show for the three
nces close to 183 million bu, and added to this about 12 million
eastern Canada would make 195 million bu for all of Canada. Pre-
the carryover would be 140 million bu, there would be available
llion bu. We estimate home consumption, including feed and seed,
llion bu, requirements for the United States 40 million, or 150
on bu, leaving 185 million bu for oversea shipment, provided the
bushel could be disposed of. However, this is an exceptional
for early harvest, probably next year the mills in Canada will not
le to figure on early August receipts for their requirements; nor
the farmer sell his last bushel of wheat, so we doubt whether more
150 million bu can safely be shipped abroad. Last year importing
ries took 454 million bu of wheat. This was exclusive of the
States; and the year before they took 514 million bu; years be-
that they always purchased considerably more. So far since the
of July oversea importations were virtually 4 million bu more
in 1935, and we think it is safe to calculate that 480 million bu
be required for twelve months. Where are they to come from to
y these demands? The Danubian countries have a very large crop
year and might clear 80 million bu. Sundry countries might furnish
llion bu and if Canada supplies only 150 million bu, the total
these sources would be 270 million bu. Consequently, about 200
0 million bu would be needed from the Southern Hemisphere. As a
with normal crops they could ship 250 million bu for twelve months,
of course, they have very little left fhe first six months from
ld crop and cannot possibly bring everything to market during the
six months. It is therefore quite evident there will be the clos-
djustment we have seen for many years.

It was rather surprising that Liverpool under these circumstances
ted lower quotations on their futures, when everyone had expected
ontrary. Futures there declined 3/4 to 1 5/8¢ per bu compared
Saturday. Broomhall reported that the weather was clearing and
favorable for harvest all over Europe, which after the sharp ad-
they had led to some liquidation. However, we have to assume
in the long run the strong statistical situation will assert it-
Winnipeg, following the lead from abroad, was also very weak,
ad to absorb a great many hedges, the movement in Canada being
mely early and farmers are well satisfied with the price. With
mall crop naturally a heavy movement cannot last for any length of
and therefore the pressure from hedging sales will be only short-
.

Our market showed less weakness than Winnipeg, although at the
the leading future had declined 1 1/2¢ per bushel from Saturday.
omestic situation is getting stronger all the time, owing to the
lighter movement.

Primary receipts were 1,778,000 bu against 2,941,000 last week
,753,000 bu last year. Practically every important market had

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smaller receipts, except Minneapolis and Duluth, the very markets whic can draw very little wheat from their own states, but evidently the mil reach out everywhere to fill their needs, and quite a few of the receipts might be duplications. The visible supply increased 5,419,000 bu, considerably less than last week and last year. In 1935 the increase was 8,385,000 bu, but our total stocks are now 72,913,000 bu versus 43,117,000 bu, or 29,796,000 bu larger. However, we think from now on weekly increases will be very small until they soon shall disappear entirely. Trade was very much lighter today, probably due to t fact that the government report on U.S. crops will come out this after noon, which the trade is always afraid might have surprises in either direction.

There were some rains in northern Illinois and Indiana, but weat was very hot again in many parts of the corn belt, and we think the cr is going backward right along. The high prices for cash corn are brin- ing about an increased movement, and primary receipts were 1,058,000 b compared with only 210,000 bu last year. However, it is all wanted as fast as it arrives and the visible supply shows a decrease of 672,000 and has now been reduced to the small figure of 3,992,000 bu against 6,431,000 bu last year, when it was also way below average for the tim of the year. This cereal declined moderately but might have sharper fluctuations tomorrow, should previous pessimistic reports about the probable corn yield be confirmed and it is possible the government figures might be even lower than those of the private experts.

The oats visible supply continues to increase, this week's addition was 5,971,000 bu, and the total is now 44,807,000 bu compared with only 8,524,000 bu last season. However, the movement is decreasing and primary receipts were only 1,047,000 bu versus 1,617,000 bu a week ago. It is a foregone conclusion that all the oats will be wante in view of the scarcity of all competitive feedstuffs.

Rye was weaker in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
O BOARD OF TRADE
PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 11, 1936.

There was no divided opinion on the construction of the govern-
report which was given to the public from Washington yesterday
noon after our session closed; it was universally construed as
extremely bullish. Coming on the heels of the Canadian report
ating extremely low yields not only for wheat but for all feed-
s, the natural assumption was that we would be faced with higher
ts; instead prices, particularly those for wheat, declined fur-
not only here but at Liverpool and at Winnipeg as well, thus show-
hat after sharp advances recessions are sometimes inevitable in
market, no matter how sound the basis may be. However for those
ave confidence in the value of commodities, it may be an op-
nity to take advantage of this situation and accumulate purchases.

As far as wheat is concerned, in the United States winter and
g wheat crops combined promise to yield 632 million bu, and in
a about 200 million bu, or a total of 832 million bu for North
ca. We estimate the consumption in Canada at 110 million bu and
e United States, 700 million bu, or a total of 810 million bu.
would be very little surplus left of this year's raising for
ea exports except whatever we choose to reduce the carryovers.
is country the carryover is about normal, but in Canada it is
excessive; so probably 100 to 150 million bu, at the outside,
be spared. A figure of 700 million bu would not be excessive
heat consumption in this country in view of the fact there will
extra demand for animal feeding. The average consumption for
purpose was about 42 million bu for the ten years from 1918 to
but with the short corn crop of 1934 it immediately increased
million bu, and should be equally heavy this year. In 1930,
there was another short corn crop, it was as high as 158 million
d in 1931, 171,million bu; but with the high prices for wheat,
dless of how scarce feedstuffs might be, we do not look for any
extremes. With wheat supplies being reduced so sharply in North
ca, we cannot find that European or non-European countries any-
have excessive supplies, except possibly the Balkan states which
clear 30 million bu more than last season. Practically every
ting country will need at least as much or more than in the past
Weather in Europe has again turned unfavorable, and more or
wet weather has been delaying the harvest. Why the Liverpool
es market, which is a great indicator of European sentiment,
d have declined sharply under these circumstances is difficult to
in, but during the session it was reported --although these mat-
are always difficult to confirm --that several lines had been
ulated there for speculative purposes and buyers found it prudent
quidate and take their losses in view of the weakness which had
iled for several days.

Liverpool wheat futures closed from 3 5/8 to 4 3/8¢ per bu lower
the previous session, which naturally had a great sentimental
t here, but the decline there has been so sharp that it is more
likely recoveries will take place. This in turn would be very
ul to our market.

In the meantime the domestic situation is gaining strength right
. Ten various points in the interior received only 296 cars today;
ntire primary movement was 859,000 bu, which is a little more
half of what it was last week when receipts amounted to 1,641,000
The primary movement since July 1st is now over 100 million bu,
udging from past experience on the size of this year's crop, for
welve months it will probably not be over 250 million bu. There-
for the remaining 10 1/2 months or so, it will only be a small
ntage greater than during the first 40 days. We assume, con-
ntly, that it will not be very long before the demand will over-
supplies, and before hedges will have to be removed. Until
comes, of course, fluctuations will be more or less subject to

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individual operations, such as occurred today.

The corn crop estimates by the Agricultural Department of 1,439,000,000 bu compares with the revised estimate for 1934, the previous drought year, of 1,478,000,000. Not only is this estimate lower but also our carryover on July 1, 1936, was 82 million bu less than it was at that time, So really by way of comparison the deficiency is 121 million bu. As pastures are also very poor, and as the oats, rye and barley crops have suffered the same as all other cereals, a situation is existent which will require the utmost economies besides heavy importations to pull us through without creating extraordinarily high prices.

The weather in the meantime continues to be highly unfavorable, and further damage might be done. Extremely high temperatures obtaine Monday over the entire West and Southwest, being the highest on record in portions of Oklahoma and central Texas; and there is no relie in sight, according to the weather prediction.

After an early decline, due to realizing sales, traders having been disappointed that the report did not bring a rush of buying orde a moderate reaction took place, and the leading new crop future of co closed 5/8¢ per bu higher than yesterday.

Oats held very steady, receipts being extremely light, but rye declined in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
RODUCE EXCHANGE
COCOA EXCHANGE
FFEE AND SUGAR EX.
Y EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 12, 1936.

A reversal of sentiment as to wheat values took place over-
h in Europe, particularly at Liverpool. Although the markets
th Winnipeg and here declined considerably yesterday after
Liverpool market had closed, their futures opened higher this
ng disregarding this condition in North America and finally
wheat futures closed at an advance of 7/8 to 1¢ per bushel
yesterday's final figure. Several minor reasons were given
his change: weather was less favorable in both Russia and France;
ermore, English millers, who had been buying very sparingly since
rices had been reached, were willing to replenish their stocks
eavy purchases were made at Canada. However these are only less
tant features. It is recogniz ed generally that the fundamental
ion was and remains sound.

With the Australian visible supply estimated at only 10,496,000
mpared to 30 million bu on the same date last season, it is quite
that during the next five months this country will ship about
llion bu less than in 1935. Argentine clearances will also be
light during the next five months. Therefore Canada will have
her large competitor except the Danubian provinces which pro-
willclear 30 million bu or possibly 50 million more than last
To offset this, there are no signs of any Russian exports and
r no trades have been consummated nor are there offers of any kind
last year Russia supplied the world with about 30 million bu.

As time goes on, the great shortage in the three western provinces
nada is likely to be felt more and more. The official carryover
probably be given to the trade today, but in the meantime we do
hink we shall be far wrong in our guess if we put it at 140
on bu. This would give Canada, with her raisings of this year,
al supply of 340 million bu. Her carryovers the last few years
been extraordinarily heavy,and the lowest we can find in the
ten years was in 1927 when it was 58 million bu. We hardly think
safe for that country to reduce it below that figure because,
their official statistics start on August 1st, in normal years
rop does not move freely to market until about September 1st;
least one extra month's supply will have to be carried for both
tic and export requirements. Deducting this amount, as well as
illion bu for consumption, or 168 million bu from the 340 million
ailable, there would be left only 172 million bu for the United
s and oversea shipments. Demands from this country, on account
th quantity and quality, will easily be 40 million bu, so that
e and non-Europe will not be able to purchase more than about
illion bu except should prices be raised exorbitantly high.

So far since July 1st, North America, which practically means
a, shipped overseas 27,367,000 bu compared to only 12,486,000 bu
year. Europe was compelled to take such a large quantity, as the
tine and Australian countries could supply only 11 million bu
red to 23 million bu the previous year.

Comparisons continue to be made of the present situation in
America with the last drouth year in 1934. We find that then
a had a carryover on August 1st, 1934 of 203 million bu and a
of 275 million bu, total supplies of 478 million bu, or 138
on bu more than this year. On July 1st, 1934, the United States
wheat crop and carryover of 812 million bu compared with 772
on bu now, or 40 million bu more. The statistical position in
America is very much stronger than it was then.

The smaller primary receipts already show that we are now suf-
g from a lighter movement at the expense of the heavy farmers'
, which had been made earlier on account of the high prices.
amounted today to only 811,000 bu, somewhat less than one-half of
r ago when they were 1,694,000 bu. Stocks at Kansas City,
h and Minneapolis so far this week show an increase of only
,00 bu, and the prospects are for very much smaller increases
e visible supply from now on; and the decreases will come much

earlier than usual. Receipts at interior points also are very ligh and ten different places received only 317 cars today. Under these circumstances premiums over the futures are keeping up everywhere an are increasing at some of the terminal points. It was difficult du ing the last few days to buy any hard wheat at Kansas City at much less than $1.20. A great many millers are compelled to use this variety of wheat in place of spring wheat, which does not exist in large quantities, unless they are prepared to buy Canadian wheat, which, of course, is very expensive. We understand yesterday afternoon 15 per cent Canadian protein wheat was sold at 22¢ over the Minneapolis September, delivered at Minneapolis, duty paid, which was equal to almost $1.50 at Minneapolis.

At the close our market showed an advance of 2 1/8¢ per bu for the leading future compared with yesterday.

The Canadian wheat movement is increasing and country deliverie of wheat yesterday were 1,240,000 bu against only 199,000 bu last year. This despite the fact that the crop is much smaller, but just as in the United States the heavier the movement now the lighter it will finally be.

It is generally assumed that the corn crop continues to suffer in many parts of the belt with the continuance of dry hot weather. Some extraordinarily high temperatures are being reported in the Southwest, but these, of course, will have less market effect because it is assumed that the crop has been damaged so much already that the worst is about known. There are some spots left, however, where more favorable weather could bring about some improvement and therefore the prediction of possible showers and thunderstorms in the Central states had a moderating effect on sentiment and prevente corn from fully following the lead of wheat.

Primary receipts were 587,000 bu, with only 99,000 bu last year but shipments were equal in proportion, 401,000 bu versus 95,000 bu; so there is no chance yet for any accumulations.

The open interest in September corn is still very large, 9,127,000 bu, and with cash corn bringing big premiums it will not b easy to fill contracts with deliveries. A tight situation has been created and it is worth while watching.

Oats continue to display great strength, owing to the extreme shortage of feedstuff in general.

Rye advanced in sympathy with wheat and is also in a very strong position, the crop having been so small --hardly sufficient for normal consumption.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
COCOA EXCHANGE
OFFEE AND SUGAR EX.
TY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 13, 1936

After our session had closed yesterday the Canadian government shed the carryover figures, as of August 1, as 108,747,000 bu of held in Canada and 19,268,000 bu held in the United States, or l of about 128 million bu. This is considerably less than was ed and was construed therefore as bullish. Until recently most tes had been for a carryover of about 140 million bu, but clear- during July had been extraordinarily heavy, 10,500,000 bu more as and about 4 to 5 million bu were purchased for United States compared with practically none the year before. It was this ex- emand for 15 million bu which brought about this result, as the ad turned out about as expected and the smaller supplies are not a reduction in the outturn of the yields of the previous crop.

Basing all calculations on these figures and using in every case fficial Canadian estimates, we arrive at the conclusion that supplies in Canada will be approximately 328 million bu, of which illion bu will be wanted at home, leaving 218 million bu for purposes. From July 1, 1935 to July 1, 1936, Canada exported illion bu of wheat, exclusive of purchases by mills in the United s. It is quite evident that this cannot be repeated again, and ers must obtain their supplies elsewhere. In looking over the s of other countries during the last twelve months, as competi- f North America, we find that Argentina and Australia together ied about 187 million bu. They will do w ell if they can exceed quantity by a great dea l during the coming twelve months, be- at the present time their supplies are extremely short, although are likely to have very large quantities to dispose of after ry 1, assuming that normal crops will be raised. There remains, urse, always the danger that something might happen to prevent although it is never safe to calculate on the extraordinary, and l probability after the short crops of last year Providence will de at least average crops this year. Russia shipped last year a over 28 million bu, but probably will not be much of a factor year, from all reports we are receiving. Other smaller countries, her with the Danubian provinces, cleared about 47 million bu last and will be able to supply a great deal more this season, possi- to 50 million bu more. However, with poorer crops and smaller s in all importing countries the demand might be very much better; fore whichever way one looks at it there will be the closest ad- ent between supply and demand that we have seen for years.

Domestically the situation is getting stronger all the time. es at Kansas City sold today at the highest price on the crop, gh Liverpool, Winnipeg and Chicago are still selling considerably than top values. When one considers that Kansas City is the sentative market for all the Southwest and the territory tribu- to it is virtually the only one which had large crops, it is all ore significant. Not only are the futures there higher, but also premiums are fully as high over the futures as at anytime this n. All this does not bring out any increased receipts, showing plainly that the crest of the movement is over. Ten important ior points received only 379 cars, and primary receipts were , ,00 bu versus 1,323,000 bu last week and 1,443,000 bu last year. s at Kansas City, Duluth and Minneapolis so far this week show an ase of only 509,000 bu, and the prospects are for a very small ase in the visible supply on Monday.

Liverpool cables closed very strong, showing an advance of 2 1/8 31/8 ¢ per bu compared with yesterday. Weather in Europe continues y unsettled with rain reported in some countries, and prospects or a lowering of the quality.

Estimated Argentine shipments are 992,000 bu and from the Black here were 712,000 bu cleared, which makes it quite evident that der to supply the normal weekly requirements, Canada will have

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again
to/furnish the largest share. In addition that country exported to the United States, during the week ending August 8, 1,108,000 bu, indicating that this out of the ordinary demand is still continuing.

The undertone of the market was very strong during the entire session. One could discover many symptoms which might indicate that further advances are most likely. There is no further pressure of hedging sales in sight, as far as the United States is concerned. Ma of the large lines had been liquidated during the recent slump, and it was difficult at times today to make purchases without advancing prices. At the close our leading future showed a rise of 1 1/2¢ per bushel compared with yesterday.

The corn market, if anything, was even stronger than wheat. Fe existed last night that there might be copious rains in some parts of the corn belt, but they did not materialize. Primary receipts are still reasonable, 606,000 bu, but the demand is also very good and corn seems to be disappearing everywhere as fast as it is received. Some fancy prices are being paid for white corn and $1.25 was realized in this city for same.

Oats shared also in the general upturn in cereal prices.

Rye appears to be in a particularly good position, as there are hardly any arrivals here and every bushel in store is held at a big premium.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

EMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
. COCOA EXCHANGE
OFFEE AND SUGAR EX.
TY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

August 14, 1936

There were about the heaviest rains in northern Illinois we had for months. It also rained on the Chicago Board rade which, in a drought year such as we had, was bound to a psychological effect. But there is no question that some he late corn will be benifited; to say the least, it will stop trioration and must be very helpful to pastures and other vegion. There were also showers in the Dakotas, Minnesota and sern Iowa, as well as in Indiana and Ohio all of which created somewhat bearish feeling in corn, which was communicated to wheat. dines were very moderate as the trade assumes that the corn d is bound to be a very small one and that possibly any imdement which might take place through moisture from now on will much more than offset whatever damage had been done since gst 1, after the government report was published.

It is well recognized that present prices for corn disut a great deal of damage, as economies will be tremendous; comparisons are continually made with 1934, a year of equal lmity, when after all there were sufficient feedstuffs to go nd. There is, however, this difference: Old and new supis of corn are deficient as compared to that year to the ex- of 121 million bu. Furthermore, a streak of luck occurred which appeared as if providence wished to avoid a disaster, the country was favored with an extraordinarily mild winter, erful pastures, etc., so that the requirements for feeding als was very greatly reduced and estimated at that time as ng saved 300 million bushels of feed. It is therefore reably safe to assume that the fate of prices, to some extent, largely depend upon the kind of winter we shall experience year. Had it not been for this influence of modified sennt in corn values today, we think wheat might have done er, as the news was rather constructive.

Liverpool futures for the third consecutive day advanced, y's rise amounting to 1/2 to 3/4¢ per bushel. Weather in pe over many sections continues to be wet, causing a further ring of quality.

Australian shipments were heavier, 1,892,000 bu compared 1,173,000 bu last year, but this is clear evidence to us Europe is in a position to absorb much larger quantities in 1935. It is most probable that world shipments next ay will be considerably larger than last year when they amounto 6,466,000 bu and then North America, or Canada, contributed 2,579,000. Inasmuch as so far Europe has already taken llion bu more than in 1935, and as this tendency continues, re very strongly of the belief that their requirements will ery much larger. This is quite natural as their stocks had more or less depleted and European crops are also only very rate. This no doubt caused the firmness abroad, although tical factors may have something to do with it.

The domestic picture continues to be a strong one. Primary ipts of wheat were only 806,000 bushels, being only 40 per of what they were on a similar day in 1935 when 2.036,000 els were received. Shipments were actually larger at 000 bushels compared to 514,000 in 1935. Stocks at Minneapolis, as City and Duluth show only a moderate increase of 705,000 els, indicating only a very small increase in the Visible ly, while last year the increase amounted to 6,127,000 bu.

At the close the market showed a decline of 1 1/2¢ a bushel the leading wheat future for the day.

(OVER)

The movement in Canada is on in earnest and yesterday farmers' deliveries were 1,722,000 bushels compared to only 200,000 bushels a year ago. However, the market absorbs them very well, and the presumption is that a steady export business is going on, also it is not likely that those farmers' heavy sales will continue for a long time owing to the shortness of the crop.

One of the reasons why investments in commodities in the past have very often proved to be unprofitable is the fact that the carrying charges for same are very heavy and therefore unless all conditions are favorable to the bull side, it is a great handicap. This year the opposite is the case and consequently the owner of wheat or corn, provided his judgment proves to be correct, is in an entirely different position. For instance, in the drought year of 1934, on August 14, today's date, September wheat sold at $1.02 1/4 and May wheat at $1.08, a premium of 5 3/4¢, which had to be overcome. In other words, cash wheat had to advance at least to that extent to make the position in May wheat as favorable as that in September wheat. Early today September wheat was selling at approximately $1.11, May wheat at $1.09 3/4, or a discount of 1 1/4¢, so that the owner can have his grain carried for eight months without any charges. In fact, he has in his favor a difference of 1 1/4¢. More propitious conditions exist for the owner of corn. September corn is practically selling at $1.08, with the cash corn bringing a premium above that, and May corn is selling at approximately 92¢, or 16¢ discount. In 1934 September corn sold at 75 1/2¢ and May corn at 83¢, so that the trader or operator had to pay a premium of 7 1/2¢. By way of comparison, there is a relative difference in these two propositions of 23 1/2¢. The reason for this different outlook is due to the fact that in 1934 the trade expected a positive scarcity, but actual stocks were extremely large. The visible supply of wheat at that time was 112,958,000 bu compared with 72,913,000 bu last Monday; and in corn, 47,700,000 bu versus only 3,992,000 bu this year.

Oats declined in sympathy with the other cereals, but rye kept comparatively firm and the cash article is in good demand at advancing premiums.

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CHICAGO August 15, 1936.

.verpool was reactionary this morning following the declines in merica yesterday, and closing values were 1 3/8 to 1 7/8¢ per bu han the previous day. It was reported that profit-taking abroad luenced by a private estimate that the Argentine will have a full of wheat this year, and furthermore, the milling demand in was rather slow, with only small scattered business reported. , however, that Canadian wheat shipments for the week were quite and including the amount imported by the United States, total ices were slightly in excess of 6 million bu. When to this quanere is added about 2 million bu which is ground by Canadian it becomes obvious that on basis of 8 million bu consumption and per week that this year's crop would not last for more than 6 weeks. We are also mindful of the fact that during past years ing countries have taken smaller quantities, but yet England rehe best and steadiest customer, absorbing yearly about 220 mil- of wheat and flour, or equal to 40 or possibly even 50 per cent world's takings. It is, therefore, interesting that according omhall's gossip England and Wales have a small crop this year of ,800,000 bu against 60,560,000 bu in 1935 and 65,200,000 bu two ago. The presumption is that with an increasing population and prosperity that they will probably absorb this season as much, more than during 1935.

t the present time our markets are being influenced by weakness ada, and some of the well-posted grain men at Winnipeg, as well ford Evans, are somewhat skeptical about the interpretation of st Government estimate for the three Provinces indicating about llion bu production. Some believe that possibly the extent of oration as of August 1st might have been overestimated, but to this, it is generally recognized that some deterioration has place since the Dominion report was issued, and that possibly the damage which has occurred since that time might be sufficient tify the low estimate. There are at least 4 million acres which w be counted upon as a total failure, and, of course, this alone actor of great importance. The carryover given as of July 13, of 128 million bu, including stocks in the United States, comas follows with other years:

31,1936	128,015,380	July 31,	1931	140,877,275
" 1935	214,977,552	" "	1930	130,459,912
" 1934	203,944,533	" "	1929	130,061,000
" 1933	219,428,398	" "	1928	93,735,000
" 1932	137,733,061	" "	1927	58,000,000

neat imports for consumption into the United States for the week August 1st were officially given as 1,019,000 bu, and the total uly 1st to August 1st, or in one month, is 4,750,000 bu, which largest quantity ever imported into this country for a single

rimary receipts of wheat today were only 829,000 bu, which comwith 1,167,000 bu last week and 1,531,000 bu last year. Carlot ts were also more moderate, at ten points, including Kansas City icago, amounting to only 394 cars. So far this week stocks at polis, Duluth and Kansas City show a total increase of 610,000 t we do not look for the visible supply Monday to increase very y.

ery little attention is being paid to the small barley crop this amounting to 145 million bu versus 282 million bu in 1935 and llion bu in 1934. However when it is considered that beer pron has increased so tremendously since 1934 and that barley is the ial for same, it is quite evident that the amount of barley left eding purposes will be extremely small.

omparatively speaking the coarse crops in Canada have suffered everely than wheat, but it is difficult to estimate whether the will be used as much as a substitute, because the quality seems ely fine, much of it being high protein, and, therefore, bringry good prices.

n any event we continue to feel that all grains in North America uffered so materially that low prices are extremely unlikely.

orn was influenced by the recovery in wheat, as well as by the ime weather forecast, which suggested only occasional showers. op has suffered sufficiently to make large yields impossible. ore only curtailment of consumption brought about through high will finally bring about proper adjustment.

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CHICAGO August 17, 1936.

Liverpool wheat futures closed today at a decline of 1/2 to
/¢ per bu compared with Saturday. This was construed as rather
sh and caused some surprise in view of the strong world situa-
It seems, however, that weather in Europe is greatly improved,
arvesting, which was delayed, can now be resumed. This fact
some realizing sales and, therefore, should not be considered
eat importance. As a matter of fact, this will be one of the
when, in our opinion, Europe will not be able to dictate prices,
oply and demand are so closely adjusted that millers across the
ill not be independent and will have to follow rather than lead.

World shipments this week were again larger than last year,
2,000 bu compared with 6,466,000 bu. Total clearances up to date
1/2 months are now 53,628,000 bu against 47,500,000 last year,
out 6 million bu larger. This confirms our previously formed
on, that the requirements this season will be greater than last
as the foreign crops were shorter and stocks had been greatly
ed. On the other hand exporting nations will have less to spare
therefore, a rather tight situation might be created later on.
ontribution from Canada this week was 4,569,000 bu versus
7,000 bu in 1935, or 2 million bu larger; and since July 1st
a has exported overseas 17 million bu more. This clearly shows
ependency on that country. This will not change for some time.
year from August 1st to January 1st, Argentina exported 40
on bu and Australia 36 million bu, or a total from the Southern
here of 76 million bu. This will easily be cut in half this
and the deficiency will have to be supplied mostly by Canada and
anubian provinces. But, as above stated, we expect the require-
will be even larger than they were and consequently expect a
steady demand right along. We fully appreciate the picture will
e to some extent after January when the Southern Hemisphere har-
its new wheat crop, but by that timeCanada will have disposed
e largest share of her available surplus. With a crop of only
illion bu and a consumption of 110 million bu, there would be
90 million bu remaining of this year's raisings, of which 40
on bu will have to be provided for the United States; so with
ts abroad at the rate of 5 million bu a week, it would take her
about 10 weeks to dispose of this year's excess and then would
ally cut into her carryover, which amounts to about 130 million

The domestic situation remains the dominating factor and extreme-
rong. Primary receipts of wheat up to date amounted to 106 mil-
bu compared with 59 million bu last year, with a crop of virtual-
e same size. The natural conclusion, therefore, is that from
primary receipts will continue to decrease, and in fact they
done so already for several weeks. Today's primary receipts were
1,001,000 bu against 1,778,000 bu a week ago and 2,368,000 bu
r ago.

As a natural result of the lighter movement, increases in the
le supply from now on will also be smaller. The addition to
this week was 2,911,000 bu compared with 5,419,000 bu last
and 6,127,000 bu a year ago. The total visible supply of wheat
75,824,000 bu versus 49,244,000 bu last year, or 26,580,000 bu
r. While the increases in 1935 continued for a long time, this
owing to the fact that there will be practically no spring wheat
ent, we expect that we shall see some decreases before very long,
at finally our visible supply will decline to less than it was
evious season, or possibly under 20 million bu. We, therefore,
reason why anybody should be willing to sell May wheat at the
t time at a big discount, and as far as an investment is con-
, we consider it by far the cheapest of our futures.

(O V E R)

After an early decline in consequence of the weaker Liverpool cables, our market quickly reacted, no doubt being largely influence by the great strength in corn; this we think is fully justified. While in normal years the wheat consumption for human needs does not vary a great deal from year to year, except that it might increase 4 to 5 million bu yearly with the increasing population of 1 million people per annum, yet there is a vast difference in the amount of wheat which is needed for animal feeding. We presume that this year the requirements for same will be tremendous. We quote from a letter which we received today from a very responsible miller at Wichita, Kansas: "Cash corn would cost delivered at the average elevator at our place, or Hutchinson, Enid, Oklahoma, etc., from $1.25 to $1.30 p bu, according to quality. Farmers today are getting from $1.10 to $1.12 per bu for their wheat at these elevators. They would have to pay from 15 to 25¢ per bu more for their corn than they would be getting for their wheat; and corn weighs 4# to the bushel less than wheat. So it is actually the cheapest, and, therefore, the one that will be used. We expect a record consumption." The same concern calls attention to the extreme shortage of Kaffir and Milo Maize, the production of which the past years might have been from 75 to 125 million bu in the Southwest. This all will have to be made up from some other source, or the livestock shipped out.

The undertone in wheat for the most part of the day was extremely strong, which was also the case at Winnipeg, in spite of the fact that a heavy movement is taking place there now. At the close of our market the leading future showed an advance of 1 7/8¢ per bu compared with Saturday.

As far as corn is concerned, even the high prices do not stimulate the movement very much; primary receipts were only 757,000 bu against 1,058,000 bu last week. High premiums are being paid over the futures, and it is difficult to imagine that there will be heavy accumulations at any time on this crop. The visible supply increased this week 514,000 bu, but is still extremely small, being only 4,506,000 bu at all reporting terminal points.

Oats and rye were both extremely strong, following the trend of the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

August 18, 1936.

The wheat market today had to contend with more bearish news of late. While Liverpool wheat cables were 1 5/8¢ per bu higher heir October and December futures, the March closed unchanged. is due to the fact that the Argentine crop news is very favorable. calculated abroad that while there may be stringencies during irst six months, the Southern Hemisphere might relieve the situan later on. Broomhall estimates, according to reports from his s, that there might be an acreage around 19,766,000 acres, which be a large increase over the very small acreage last season, above the average for the last three years, and only about 1 1/2 on acres less than the record of 21,274,000 acres sown in 1930. ure conditions at the present time also are very favorable, alh it has to be recognized that the critical period for the crop ill ahead, and naturally much will depend upon weather conditions now on before one can be sure of the size of the crop.

There was also a report out by the Norris Grain Co., estimating heat yield in the three Canadian Provinces at 240 million bu, would compare with the recent low estimate of 185 million bu. was quite impressive, particularly as other reliable Canadian s are almost all unanimous in the belief that harvesting yields ate that the crop had been under-estimated. So we have to be pre- for a much better outturn in Canada than was recently expected. theless the market actually closed higher than yesterday, which ue to the fact that underlying conditions remain very strong, even ere should be some more wheat raised than had been anticipated.

Washington claims that according to its advices, the smallest crop in three or four years in Continental Europe was reported e Department of Agriculture. The crop was estimated at ,000,000 bu compared with 1,573,000,000 bu a year ago. This ins Danubian basin countries which will export wheat this year and will produce 359,000,000 bu against 301,690,000 last year.

When it is considered that the world carryover has been re- in two years from the peak of 1,162,000,000 bu to 650 million bu gust 1st on crops larger than this year, it is quite evident that he time being consumption has overtaken production, at least, in times as when only moderate or subnormal yields in the world are ned.

Furthermore we feel that wheat will derive great benefits this from the shortage of so many other human foodstuffs, not to on food for animals on which we have dwelled so much before. we compare the total production of the following:

	1935	Estimated for 1936.
ans, dry edible 100-lb bag	13,799,000	10,200,000
ples	167,283,000 bu.	102,487,000 bu
aches	52,808,000 "	43,131,000 "
atoes	387,678,000 "	294,537,000 "

s clear that consumption of bread is likely to increase consider-. The Department of Agriculture also reports that the drought ge has reduced the supply of vegetables for canning to 93 million s; about 12 per cent less than the quantity available last year, above the 1934 level.

On account of the suffering caused by the drought, many plans being considered by the Government to relieve the situation. of them is some scheme to avoid forced killing of livestock now s to increase the stock available for fall slaughter, and this ourse would increase feed consumption. Otherwise many farmers

(O V E R)

could not afford to hold their cattle. Also the Government might ente the wheat market at any time to assure enough good seed wheat to suppl needs of the farmers who are without seed. Hogs sold yesterday at top prices for eleven months, being the highest paid since last September.

Primary receipts continue to be light in comparison with 1935, being 884,000 bu versus 1,441,000 bu. Ten various markets received onl 233 cars today. Stocks at Kansas City seem to have reached their peak, while at Minneapolis and Duluth they show an increase so far this week of 279,000 bu. Country deliveries of wheat in Canada are heavy now --1,828,000 bu, but even with a larger crop than expected previously, we still think the movement will not last for any considerable length of time, as after all, even 240 million bu for the three provinces would be a small crop in comparison with other years.

The chief strength at times was borrowed from corn, as this commodity remains very scarce at the present time and may continue so during all next year until there is another crop. #1 yellow corn sold at 5 1/2¢ over the September future, and #2 yellow at 5¢ premium, which is equal to about $1.20; white corn is worth 15¢ a bu over, or about $1.30.

We cannot imagine that as long as corn is bringing such a high price that wheat could possibly sell very low. We believe corn will remain the leader of all cereals this season. The high prices are not bringing out much corn; primary receipts were only 491,000 bu against 1,012,000 bu a week ago and 237,000 bu last year.

At the close December wheat was 1/4¢ per bu higher than yesterday, while corn advanced 1 3/4¢ per bu.

Oats and rye also were higher, and followed the trend of wheat and corn.

Lloyds' odds that there will be no war between two major nations within six months, are ten to one. Therefore, if correct, the political situation will not become a great factor as far as grain prices are concerned.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO August 19, 1936.

The total rainfall in Kansas City so far this year is	8.96 in.
Normal for the year to date - - - - - - - - - - - - - -	24.49 "
Deficiency so far this year - - - - - - - - - - - - - -	15.53 "
Rainfall up to this time last year- - - - - - - - - - -	19.46 "

A similar situation exists over the entire wheat belt in the twest. It is somewhat early to feel alarmed about it, as far as sects for seeding the new crop are concerned, because very heavy nall during the next two or four weeks might change the situa- considerably; but even then it will require lots of moisture dur- he winter to make up part or all of the deficiency. Unless this ializes we are sure that the trade will be very much concerned ervous. This particularly so as wheat stocks undoubtedly will most exhausted at the end of the season, or at least reduced to imum, and a fifth poor wheat crop following the others would be l calamity. We feel very confident that many close observers lready watching this situation, and when trading commences in wheat we think it will sell at a very fair price.

Liverpool made a moderate response to our yesterday's strength heir futures advanced 5/8 to 1¢ per bu. Some of the European ries which have a surplus are offering wheat more freely now, he business with Canada is more moderate, but it is evident that nst develop on a larger scale before long, because nowhere else possible to obtain sufficient quantities for the needs of the ting countries.

Broomhall makes his first estimate on European and non-European irements, and figures that 512 million bu will be needed compared 494 million last year, or 18 million bu more. However he adds his estimates are made after allowing for economies and re- tions. He evidently has in mind that the high price level will inue to remain, which will compel these economies. He also estimates the exporting countries might be able to supply 612 million bu. e are, however, again these reservations that no deductions have made for possible carryover in other countries. In other words, ssumes that Argentina and Australia could ship 284 million bu, ided they did not have a bushel left outside of their home needs r July 1st. Of course as a practical proposition this is im- sible, and, therefore, without being too technical he has come to same conclusions as we have: that supply and demand will be very ely adjusted.

Corn was again the leader here and wheat prices, which had ined early, recovered quickly when corn futures, both for the and new crops, advanced very rapidly. It is impossible this year eason out what wheat values should be without taking the yellow al largely into account. An extra amount of feeding to animals 0 million bu would make all the difference in the world and this hat is likely to happen. In any case, as long as corn is bring- such extravagant prices, it is unthinkable for wheat to sell low, as it has great merit of its own, we think present prices and il higher values are fully justified.

The movement continues to be light. So far this week Kansas decreased 99,229 bu, and this market draws from Nebraska and as, which are almost the only states which raised large crops. ary receipts were 1,221,000 bu compared with 1,239,000 bu last , but they include 505,000 bu of wheat which arrived by boat at th from Buffalo and Toledo. This is certainly a most extraor- ry movement, and, of course, a duplication; but that the north- ern millers should be compelled this early to draw wheat from East indicates a dearth of supplies there, and confirms our former ef that they can only keep their mills running by buying from y part of the country where wheat is available.

(O V E R)

In the meantime fancy prices are being paid for cash wheat everywhere. Hard wheat in this market is bringing 9 1/2 to 10¢ per bu premium over the future, and at Kansas City there is very little desirable wheat which can be had for less than 10¢ per bu premium over the December future.

At the close December wheat, the leading future, was practica- ly unchanged compared with yesterday.

There was no abatement in the extreme strength of corn early in the session. There were reactions from the extreme high points, but the general tendency still seems to be upward, and at no time was there any real weakness. This, in spite of the fact that local showers had occurred the past 24 hours over portions of Iowa, Illinois Indiana and Ohio. However as long as the rest of the belt has only fair weather with very high temperatures, no material improvement in the final result of the corn crop is in sight.

Primary receipts, considering the high prices which must be tempting to many farmers, are very small --only 492,000 bu today versus 587,000 a week ago, and 172,000 the previous year. There we some more charters made for corn to go East, and from present appearances there is no likelihood of any heavy accumulations to satisfy the shorts in September corn.

There was some decline in the high premiums over the futures which had been paid recently, but this is quite natural, as very few venture to keep large stocks ahead of the immediate requirements in view of the sharp advances which have taken place.

At the close the old crop future of corn advanced 5/8¢ per bu and the December about 1/8¢.

Oats and rye followed more or less the trend of wheat and corn and showed no material change.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO August 20, 1936.

Liverpool wheat cables showed a decline of 1/4 to 1/2¢ per bu, sly in sympathy with weaker markets at Winnipeg late in the session serday.

Supplies for immediate needs abroad are still very small and mated Argentine shipments are only 551,000 bu compared with 98,000 bu similar week in 1935. Black sea shipments are 1,080,000 ersus 1,176,000 bu last year, all of which indicates that larger lian purchases will have to be made right along. However with the heavier movement now in Canada, partly due to an early harvest, fes are cheaper, and as long as Canada remains a free seller no g markets abroad are in sight at the moment. Later on the production in the Argentine will become a very important factor aping wheat values. The acreage there is now estimated at ,50,000 acres. This would compare with 18,750,000 in 1935 and ,50,000 acres for the five-year average from 1929 to 1933. The l in 1934 was 240 million and the average from 1929 to 1933 was illion bu. Last year's crop was only 139 million bu; therefore, aximum that might be looked for is a crop of 100 million bu more r in 1934, but as available stocks at the present time are so very l the total surplus for the twelve months should be not extraordi- rily excessive.

It will also have to be considered that great economies in rope are likely to be practised. Italy, which country more than ther, has been trying to become self-sustaining, faces a short- f native wheat this year. The fixed price for soft wheat has en raised to about $2.53 per bu, and for hard wheat to $2.85 per . It seems almost impossible that Italy this year will be able to long without importing larger quantities than last season, and robably will cover her requirements by purchases from the Balkan ts, which are close by. This will make the pressure from these res less for the United Kingdom, the largest consumer, and may mpl England to look more to Canada for her needs.

To show how much Canada is the chief supplier of wheat for the poting world, we find actual ocean wheat exports during the month Jly, 1936, were 16,521,000 bu, and flour exports equalled 2,002,000 aking a total of 18,523,000 bu. In addition to this 5,077,000 re cleared for the United States. This would be at the rate of illion bu per year. Canada, of course, has not that much to r, and, therefore, of necessity her clearances are likely to be s from now on, although the heavy decrease may not come until after urn of the year when the Southern Hemisphere will be able to more.

For several days there has been no new bull news to stimulate eclators, except a sharp advance in corn, which affected wheat thetically. But it seems that corn prices for the time being reached a high point also, which makes traders very cautious; fore at the present time there is a lull in speculation, with ght indication to anticipate small recessions. Nobody looks for harp breaks or any very low prices, in view of the small crops h have been raised generally all over the world, but after all it ake some time yet before any actual scarcity could possibly be . Consequently no matter how sound the basis finally might be, present time it will temporarily be more difficult to establish old high prices.

The Canadian movement continues to be reasonably heavy con- ng the small crop, and farmers' deliveries yesterday were 000 bu compared with only 484,000 bu last year. It may be that eg prices will remain under a little pressure for some time the demand equals the size of the movement, which we think will case before very long.

(OVER)

In the United States there is no great pressure anywhere from any source. Primary receipts keep very light --893,000 bu versus 1,519,000 bu a year ago, and shipments were 631,000 bu against 762,00 bu in 1935. Stocks so far this week at Minneapolis, Duluth and Kansas City together show a net increase of only 565,000 bu, and were it not for the arrivals of eastern wheat at Duluth, they would hardly show any increase whatsoever. Receipts at ten important points were also very light, amounting to only 361 cars.

Trade was less active today, and the open interest yesterday was practically stationary. It appears as if present owners of wheat are confident of their position and are willing to wait for the time when consumption will cut into accumulated stocks.

At the close the leading future of wheat showed a decline of 7/8¢ per bu for the day.

The Winnipeg market was comparatively weaker than ours, and the new export demand at present is rather small. Therefore hedging pressure is being felt more.

There were considerable rains in many parts of the corn belt overnight, which created a weaker feeling in this cereal, but it is recognized that the damage done up to the present time is so severe that corn will remain a scarce commodity and will command a very satisfactory price.

Oats and rye declined moderately in sympathy with the lower prices prevailing for corn and wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
BOARD OF TRADE
PRODUCE EXCHANGE
K COCOA EXCHANGE
COFFEE AND SUGAR EX.
ITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 21, 1936

After the close of our session yesterday it became known that
heat Board in Canada fixed a minimum price for wheat of 87 1/2¢,
same as it was last year from September 6 on. This was a disap-
ment to those who had expected that in view of the short crop
farmers would be entitled to greater protection, and some had in
a much higher figure which might be established for minimum
es. We did not share this opinion, because the establishment of
heat Board was for the purpose of marketing the large holdings
not to repeat former mistakes and again accumulate large supplies
thholding them from the market as long as there is a reasonable
d. At the present price of 87½/2¢ it is not likely that the
Board will be compelled to make any purchases, and we believe
lo[illegible] limit will never be reached and that the whole crop can be
ed at prices considerably above that figure.

Liverpool wheat futures were also somewhat influenced by this
sion, and with greater pressure of Canadian offers their market
ned 1/4 to 1 1/2¢ per bushel compared with yesterday.

Virtually all the wheat has now been cut in Manitoba, 85 to
er cent in Saskatchewan and about 60 per cent or more in Alberta.
therefore a little safer to estimate the size of the crop.
s so far have borne out earlier expectations, and in some cases
been a little better than expected. Therefore, undoubtedly
final government report will show somewhat larger crop prospects
the last one; however, not so big that it may not be easily
bed. Farmers' deliveries today were again very sizable,
8,000 bu compared to 387,000 bu last year. The flow is re-
bly heavy for this period, due to one of the earliest matu-
es, and weather has also been ideal for harvest.

Showers in the United States have been quite fair during the
twenty-four hours over many sections, except the Southwest, al-
gh at least Nebraska and Colorado had quite a bit of precipita-
n. This naturally is very welcome for all kinds of vegetation,
we have more in mind the necessity of moisture in the great wheat
in the Southwest so that plowing and seeding operations can be
ed before long. There is still time to do this work in the
two or four weeks, but in order to prepare a good seedbed and
the plant an opportunity for a good start, relief of this long-
ing drought will become a necessity.

The wheat market held quite strong considering the weakness
d as well as at Winnipeg. The latter may be explained easily
gh the heavy movement at the present time, and may be only a
rary affair. There is no question, in our minds, that the
sh Civil War, with the possibility that complications among the
major nations might develop, had a great deal to do with the
iness in prices. However, since Lloyd's odds against the prob-
ty of a war for six months indicate that at the moment those
posted in London believe no immediate scare exists, we feel that
will have to stand on its own merits and will not permanently
ve much help from war scares. We have not changed our opinion
this can be done. Finally wheat will become a very scarce
le and command a goo d price. At present, however, the buy-
ncentive is less strong and will remain so until more of the
ian crop has been moved and absorbed.

Here the primary receipts were somewhat larger than of late,
00 bu compared to 1,234,000 bu last year; but shipments were
heavy, 770,000 bu versus 411,000 bu in 1935. Stocks at Kansas-
Minneapolis and Duluth show an increase of 1,077,000 bushels,
ating a probability of only a small increase in the Visible Sup-
n Monday, while last year the increase amounted to 5,391,000 bu.

At the close the market for the leading wheat future was
per bushel higher.

The c orn market was lower, being influenced by more rains in
and Nebraska, and more showers are predicted for many sections
ht and Saturday. However, no pronounced weakness developed,
t one time today #2 red wheat and #2 yellow corn sold at the
price, $1,17. Since the yellow cereal is bringing such good
s, wheat will be used in ever increasing quantities for animal

Oats and rye both closed lower, following the decline in corn.
was rather small; but receipts are extremely light and a good
d is anticipated.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
NE YORK PRODUCE EXCHANGE
Y YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 22, 1936.

Liverpool opened somewhat higher this morning, but according to our cable advices, this was not in any way due to war scares but rather as a result of an official Argentine estimate on the probable wheat acreage in that country, which was well below recent private indications. It is claimed that the area planted to wheat is only 16,796,000 acres; but advices from Liverpool, according to Broomhall, state the belief exists that these Argentine figures will prove to be too low. Consequently there was some profit taking and at the close futures were higher for the March delivery but lower on the nearby months.

It seems that European demand is rather quiet at the moment, and with prices at Winnipeg down three days in succession under pressure of the new wheat hedges, importers remain somewhat indifferent at the present time. We call attention to the fact, however, that wheat imports for consumption into the United States from July 1st to August 8th amounted to 5,858,000 bu, and during the week ended August 15th another 1,285,000 bu were imported, making a total of 7,143,000 bu. Total clearances of wheat from Canada during the week ended August 14th were 5,355,378 bu, an increase of 3,188,278 bu over the preceding week of 1935. Oversea shipments were 4,070,378 bu. This confirms our previously formed opinion that Canada will easily net close to 5 1/2 million bu for export; and if mills consume 2 million bu, 7 1/2 million bu could be taken care of without any accumulations.

We appreciate at the present time that due to premature ripening of grain in Canada, country marketings there continue at a very heavy rate. This is probably a deterrent to bullish enthusiasm at the moment, but should be only a temporary factor and before very long demand could easily take care of the grain being marketed by farmers.

It is reported that the Danubian countries sold large quantities of wheat to both Italy and Germany. The small stocks of old wheat in Germany, and the persistent wet weather which is delaying harvesting, will probably make imports necessary until the new wheat is available. Both these countries have imported very little wheat during the last year on account of economic and financial reasons, but it seems necessities are so great, and as the people have to be fed, both Italy and Germany will become larger importers this year.

Primary receipts today were rather small at 658,000 bu. This compares with 829,000 bu last week and 1,395,000 bu a year ago. So far this week stocks at Minneapolis, Duluth and Kansas City show a net increase of 1,128,000 bu. However it must be noted that the comparatively large increases in the Northwest represent duplications from other markets; and we do not believe, therefore, that the visible supply on Monday will show a very heavy increase, so it will not be long before we will commence to draw upon accumulated stocks. Carlot receipts at the markets today were 351 cars of wheat, and this is quite a falling-off from recent times.

The swings in wheat were rather narrow today. It seems that a new stimulant on the bull side is necessary before prices can advance much, or at least a period of two or three weeks may be necessary until pressure in Canada subsides to enthuse speculators more than at present. At times our market was influenced by a little better feeling in Winnipeg, and at the close the leading future was unchanged from the previous session.

Corn continued weak, and we believe the fact that already charters have been made for approximately 10 million bu of corn from the Argentine to North America caused some selling by discouraged longs. These shipments include those to Canada, which also is important since our northern neighbor is often supplied by us. This corn, however, will probably not be shipped until September or October, and will not reach here until possibly November or December. There is of course, some corn clearing all the time for early shipment; and it has been rumored that a cargo was sold to come to Chicago.

The weekly weather forecast is not particularly encouraging, and our crop has already suffered to the extent of making great economies necessary. Therefore we feel that low prices are out of the question.

Oats and rye were not particularly active, but a slightly better tone resulted from the firmness of the other two cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
YORK COCOA EXCHANGE
ORK COFFEE AND SUGAR EX.
MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 24, 1936.

Prices abroad have been depressed practically since 1931-32, d had advanced very little until the highest prices since 1930 were ached early in August. The price for the quarter-loaf of bread d to be raised also, and it is, therefore, quite natural that after ch a complete change a moderate reaction should take place. Today verpool wheat cables were rather weak, futures there declining 1 1 1/8¢ per bu compared with Saturday. One of the chief reasons, believe, is the effect of the very heavy early movement in Canada, ich enables English millers to obtain liberal supplies now at reced prices, which was not expected.

Considering that the wheat crop in the three Canadian provinces i a great deal smaller than last year, the movement from August 1st t date is quite surprising. Receipts to August 21st amount to ,138,000 bu versus 5,087,000 bu in 1935 similar period. Assuming at for the balance of the month, or eight business days, average ceipts should be 2,500,000 bu per day, or 20 million bu, there uld be a total movement for the first month of approximately 44 llion bu. Even on a crop of 240 million bu it is not likely that rmers' deliveries during the twelve months will be more than 185 llion bu, because as a general rule about 55 million bu are used in e interior for consumption, feed, and seed. It is evident, therefore, at this heavy movement at the present time will be at the expense very light receipts later on. It is all due to an early harvest d a high price.

Similar conditions exist in the United States. Our crop does t vary much in size from the one of last year, nevertheless, up to gust 22nd our primary receipts were 112,465,000 bu against ,420,000 bu last year since July 1st. The effect will be an early crease in visible supply stocks, but in the meantime the accumulaons have to be carried until supply overtakes demand, and with the citement about short crops over for the time being and with trade ch duller, temporary reactions such as we had are easily explainle.

World shipments were lighter than last year, 9,102,000 bu comred with 10,243,000 bu in 1935, but Canada continues to be the rgest exporter of all, furnishing 4,762,000 bu versus 2,870,000 st year. Up to date since July 1st Canada cleared overseas ,698,000 bu compared with 17,935,000 bu last season, or 18,763,000 ditional. Canada also sold about 7 million bu to the United States, which duty was paid, compared with only a little over 1,000,000 e year before. This kept Winnipeg from declining further than it d in spite of the heavy movement.

The primary movement is falling off very sharply here, receipts ing 822,000 bu --only a little more than half of what they were st week when they were 1,601,000 bu, and compares with a much larger gure last year --1,928,000 bu. The visible supply also shows a ndency to increase in smaller amounts, being today 2,220,000 bu rsus 5,391,000 a year ago. The total now is 78,044,000 bu whereas 1935 it was 54,635,000 bu. It is our guess that in due course of me the visible supply figures will be surpassed by those of last ar.

Trade today was extremely light, operators did not have very sitive opinions about the immediate future, although the general eling is still in favor of higher prices. This is largely based the short corn and fodder crops, which will mean an increased nsumption; and with the small supply of wheat any extra drain would very effective. There are also many other situations which are ing watched very closely. There is no question but that at the esent time the elevator strike at Minneapolis is having a depressing fect, particularly on cash wheat, and premiums at both Kansas City

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and Chicago were a little easier.

While indications are still favorable that there will be no war complications among the major nations, yet minor war scares a certainly not excluded. And last but not least, the weather and t outcome of the crops in the Southern Hemisphere later on will play a very important part in the shaping of values. Fundamentally, however, there has been enough damage done to the crops in the Unite States, particularly the fodder crop, to make it most unlikely th a sharp drop in prices should occur. Local stocks of wheat are s increasing, and Chicago gained this week 575,000 bu, leaving in st here now 10,764,000 bu compared with only 7,147,000 bu the previo year. Unless there is a better demand for wheat it is not unlike that later on carrying charges might be brought about, although at present May wheat is still selling at a good discount --it narrow little today.

At the close our leading future declined 2 1/4¢ per bu compa with Saturday.

Corn was rather weak influenced by the more rainy condition Iowa and Illinois, which, no doubt, helps the late corn, as well pastures. However receipts continue to be light. There has been enough damage done so that there will be no over-abundance of fodd supplies, no matter what economies will be practiced, nor how much will be imported.

Oats and rye declined in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 25, 1936.

We have little doubt in our own minds that the combination of an extraordinarily early harvest and heavy wheat movement in Canada, together with the elevator strike at Minneapolis, was largely responsible for the decline in wheat prices of late. These factors are very important at the moment but neither of them will be decisive.

It is fairly well known now what the three provinces in Canada are likely to raise, general estimates being 225 to 240 million bu, while this is much better than anticipated at one time, still it constitutes a very small crop. In fact, all the results of the wheat crops in the Northern Hemisphere may be calculated now with reasonable accuracy and the total surplus for both Canada and United States above their home consumption, will be a moderate amount. We fully appreciate that the fair-sized carryover in Canada might be reduced considerably, but this will only take place if prices are reasonable.

As far as the United States is concerned, with a moderate amount of importations we will unquestionably pull through without fancy prices, but as long as corn stays at anywhere near the present level the feed consumption of wheat will be larger than normal and real low prices seem to be out of the question.

The strike at Minneapolis will be only a temporary factor because the flour will be supplied to all who can pay for it,and even if Minneapolis mills could not operate as well as ordinarily, there are plenty of mills in other parts of the country which could do the business.

We, therefore, assume that after the liquidation, which is partly forced, is over we may have a reaction upward again. The excitement on account of continued drouth has been very intense and many holders over-extended were compelled to reduce their engagements when the break started, therefore, contributing to the decline. We have maintained right along that with most large speculators on the side lines it may take more patience for the holder of wheat to attain his aims, and he may have to wait until the demand overtakes the supply, but this situation is coming closer as indicated by the very small receipts at all markets, and if such a situation arises only two months after the movement starts, it is easy to imagine how light receipts might be after the turn of the year.

Primary receipts today were only 637,000 bu, which included 18,000 bu of imported Canadian wheat, and without same primary markets would have received only 439,000 bu. Ordinarily we would consider this a small figure for one day even after January; but coming thus early it certainly shows that no danger of any pressure from hedging sales from now on need to be feared. Shipments were actually larger than receipts, amounting to 664,000 bu.

At the start of our session we had to again overcome very weak cables, and Liverpool futures declined 2 1/8 to 3 1/4¢ per bu. Broomhall reports much better harvesting weather practically everywhere in Europe, and continuous heavy offerings from Canada at lower prices. This,together with larger sales from the Danubian countries, make English and Continental millers much more independent. However the present lull on part of foreign buyers cannot last very long, because importing nations must have from 9 to 10 million bu a week for the present, and theSouthern Hemisphere is only furnishing a small part of that. At the present time crop prospects in Argentina and Australia are very favorable, but with the crop four or five months away, it is positively too early to count with any certainty on a crop above normal.

After a sharp break early there was considerable improvement, helped materially by the strength in corn, and at the close the leading future of wheat showed a decline of 1/4¢ per bu for the day.

Total receipts of the chief cereals in this market were hardly sufficient to satisfy one or two commission houses --only ten cars of wheat were received in this big city of Chicago, 44 cars of corn, 23 cars of oats and 2 cars of rye. These small receipts of corn, in spite of the high price, are attracting attention, particularly where the open interest in September is still 7,770,000 bu, having increased yesterday 29,000 bu. Stocks of corn in Chicago are only 1,596,000 bu, and great anxiety exists as to whether the shorts and hedgers will be able to bring enough of the yellow cereal here to fill their contracts. As a consequence, September corn was very strong, affecting also the more deferred futures. As long as corn remains so high it is recognized that it will give additional merit to wheat.

Oats and rye were a trifle lower, following the trend of wheat.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
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MEMBERS:
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KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 26, 1936.

Sentiment abroad suddenly changed overnight, and Liverpool wheat sales showed a very firm undertone, closing 1 3/8 to 1 3/4¢ higher. his, following a long decline and persistent refusal to buy Canadian what for about a week or ten days, was prompted by the realization t it is not wise for importing nations to become too independent s season. While harvesting operations continue all over Europe, it is now reported that about 30 million bu of the French wheat crop r fit only for feed. Also that much of the Italian crop is in a ilar condition, while the quality in Austria is also very poor.

The weakness yesterday in Winnipeg enabled foreign millers to e purchases to good advantage and they availed themselves of this portunity, much larger transactions taking place overnight. It was ificult to obtain the exact figures, but it is generally surmised t a heavy export business was transacted. Naturally futures in inipeg had to be purchased at the opening of their market to cover se sales, and the stronger opening there gave encouragement to rders here; so the depressed feeling of yesterday disappeared some-t and the close showed an advance of 1/4¢ per bu for the leading ure.

Bradstreet reports weekly clearances from Canada at 4,179,000 u compared with 2,326,000 bu last season; and so far since July 1st ada has shipped overseas almost twice as much as in 1935, not count-n the much larger quantities which had been absorbed by the United tes for domestic consumption, on which a duty of 42¢ per bu was d. While this probably will not continue for the next twelve oths, it is safe to assume that the heavy demand for Canadian wheat il last at least until January, at which time the new wheat crop he Southern Hemisphere will be harvested and will come into com-ition with Canada. However by that time the great pressure should removed, and considering the heavy farmers' deliveries now on a rt crop, it is expected that after the turn of the year they will extremely light. Today again Canadian farmers' movement amounted 3,241,000 bu versus 734,000 bu last year.

According to the Bureau of Agricultural Economics, the 1936 wheat p in thirty-seven countries is estimated to total around 2,915,470,-0 bu against 3,102,894,000 bu last year, or about 187 million bu s. Taking into account that the world reduced carryovers consider-y in 1935, even with the larger crop, it is quite evident that s year a further reduction in stocks will take place. It is quite e that the crops now growing in the Southern Hemisphere are not in-ded in these figures and in all probability will be much larger. the other hand with fodder so scarce everywhere we figure on a erial increase in consumption on account of greater feeding to mals, which will be a tremendous offset against larger supplies Argentina and Australia after the turn of the year.

Primary receipts today continue to be extremely light, being 484,000 bu, while shipments amounted to 579,000 bu. No doubt would have been larger today were it not for the elevator strike Minneapolis. Since same was started millers at Minneapolis stepped of the cash market at Omaha, which in turn affected premiums at sas City, and decreased competition on the buying side for cash t. However there was a trifle better demand, as many anticipate r wants and feel that with the lighter movement it might be more ficult later on to make cash purchases. Stocks at Duluth, Kansas and Minneapolis so far this week show an increase of only 67,000 bu

The corn market was strong early in sympathy with wheat, but ined considerably during the session. Recent rains have been very ficial to pastures and late-season crops. There is some improve- in potatoes, sorghum and soybeans. No further deterioration in has taken place, while in some places there will be moderate im-ement. The rains, of course, came too late to prevent the United es from raising one of the shortest crops in recent years. At close December corn, the new-crop future showed a decline of 3/4¢ bu from yesterday.

Oats and rye followed mostly the trend of the other cereals, out any sharp change at the close.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHIGO BOARD OF TRADE
W YK PRODUCE EXCHANGE
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YO COFFEE AND SUGAR EX.
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TELEPHONE HARRISON 6282
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 27, 1936.

The United Kingdom fromAugust 10th last year to August 2nd hs year imported an amount of wheat and flour equal to 221,377,000 u compared with 213, 261,000 bu the year previous. One more week a to be included to complete the twelve months, and considering ht the crop in England this year is somewhat smaller than a year r, with the population steadily increasing, it is quite likely that euirements this season will be about 235 million bu. Inasmuch as romhall estimates (subject to changes) world importations, includ- n non-European countries, somewhere close to 500 million bu, it is lar that England continues the best customer, absorbing almost as uh as all the other countries together; therefore, remains the ot important factor in the world's price situation. The require- ets in continental countries, which have tried hard to be self-sustaining ay a great deal more from year to year. It is, therefore, signifi- at that the London newspapers now confirm that the harvest in emany is below expectation owing to the wet weather in July and uust, and that a food shortage is being feared. It is also mention- dthat reserves of old wheat are exhausted, but weather for harvest- n is favorable at the present time. Germany insofar will become a ce important factor, as her population is the largest of any ctinental country, being at least 65 million, and no matter how bad th financial outlook might be sufficient money will be raised and wil be available to feed the hungry.

We still see no large supplies of wheat available from any scrce until after the turn of the year when the Southern Hemisphere's rp will be harvested, except the Danubian countries. So far ship- ets from the latter are not very burdensome, and Black sea shipped ths week 1,800,000 bu against 1,328,000 bu in 1935. Russia seems to e entirely out of the market, while last year she exported 30 mil- in bu. So it will take very much enlarged clearances from the Daubian countries to offset this item, and make the total from those qurters very burdensome. Argentine shipments continue to remain sall, and the estimate for this week is 735,000 bu versus 1,890,000 o similar period a year ago.

Liverpool cables were unchanged to 1/4¢ per bu higher, thus fly maintaining yesterday's advance.

One of the new features which affected our market today was a report from Ottawa that the Federal Cabinet is considering the re- qest from the Central Board of the Canadian wheat Pools in session i Regina, that the fixed price of wheat this year be not below the mrket level. A decision on this matter is expected to be made shrtly. The prevailing opinion is that no change in the set price of 8 1/2¢ per bu, on basis of #1 Northern wheat delivered Fort William, a the guaranteed price for this year's crop, will be made. Of course nbody knows, and until a final decision is made, naturally, hopes wll be among some that at least the present price of about 97 1/2¢ mght be fixed as the minimum. This would be very helpful, as farmers wld be very less anxious to sell at present, and it would remove e great pressure for the time being while the heaviest movement is o. We, ourselves, prefer to reason what the likelihood of values wll be without any artificial help, as it seems to us that with e short crops which have been harvested the market in the long run wll be able to take care of itself. This, not only as far as the wrld in general is concerned, but particularly the United States.

The domestic situation remains satisfactory and sound, as idicated by the very small primary receipts, same amounting today t 548,000 bu compared with 893,000 bu last week and 1,253,000 bu lst year. In other years receipts such as we are having now are aout normal from January on, but not during the heavy seasonable cop movement. The change, of course, may be easily accounted for, as i other years at this period receipts at Minneapolis and Duluth are

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very heavy, and this season with the short crops the amounts receive in the Northwest are only trivial. Stocks at Minneapolis, Duluth ar Kansas City so far this week show a net increase of only 195,000 bu, and were it not for the strike at Minneapolis the increase probably would still be lighter. The elevator strike at Minneapolis has to b settled some day, and whenever that occurs we expect increased buyin of cash wheat, particularly in the Southwest, which in turn would advance cash premiums, and might be a great help to the market all around.

At the close our December future showed an advance of 5/8¢ per bu.

Corn had a different trend from wheat during most of the session probably influenced by the weather. Showers and thunderstorms have occurred during the past 24 hours in portions of the Northwest, as well as over Nebraska, Iowa, Illinois and Indiana. Th Southwest still remains dry, but of course even the heaviest precipitation could not restore the damage already done. Nevertheless the weather there is being very closely watched, and more anxiety is expressed daily concerning lack of rain in this territory, as the moisture shortage is so great now that unless it is made up before long apprehension will increase over the new winter wheat sowing and final results of next year's crop.

Oats were more or less neglected, without any material change in prices. Rye keeps firm and the demand seems to be excellent both for cash and futures.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
GO BOARD OF TRADE
RK PRODUCE EXCHANGE
ORK COCOA EXCHANGE
K COFFEE AND SUGAR EX.
ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO August 28, 1936.

The Sanford Evans Statistical Service of Winnipeg now estimates wheat crop in the three provinces at 227 million bu. This would are with last year's revised outturn of 272 million bu, or 45 mil- bu less. The carryover this year is 128 million bu compared with 5million bu a year ago or 87 million bu less; consequently there 132 million bu less wheat in Canada than there was in 1935, and if country were compelled to sell as much wheat as they did in the ious year, it will take the last available bushel; and in fact e would not be enough on hand within 4 million bu to supply the demand.

It is very seldom that the Canadian wheat crop moves as early his season, and as a general rule millers and exporters have to nd upon old supplies during the month of August; and also the ers never sell their last bushel, therefore, it is safe to figure 40 to 50 million bu will have to be carried over. This leads to conclusion that Canada will not be able to furnish within 50 mil- bu as much wheat as she did last year, but from present appear- s the demand will be greater if obtainable.

United States, which had been a very valuable customer in 1935, ll likelihood will buy as much wheat, or more, than she did last on on account of the disastrous spring wheat crop in the Northwest.

Supplies on August 1st in the various exporting and importing ntries were also much smaller than in 1935, as follows:

	1936	1935
Argentine	24,000,000 bu	43,000,000 bu
Australia	24,000,000	40,000,000
Afloat to Europe	20,000,000	17,000,000
Europe	94,000,000	120,000,000
TOTAL	162,000,000 bu	220,000,000 bu.

58 million bu less. This, and somewhat more could be made up after turn of the year if the Southern Hemisphere crops turn out well. he other hand, most of the European countries have much smaller os than last year; therefore, the requirements will be heavier and looks to us as if there will be no Canadian wheat on the bargain ounter for the balance of this season.

On basis of a crop of 227 million bu for the three provinces, estimate for farmers' deliveries for the twelve months will be ut 171 million bu. So far marketings in western Canada to August were over 39 million bu; therefore, for the first month of the movement they will be not far from 50 million bu, or a tremendous entage of what they could possibly be during the twelve months. e is some decrease now in Canadian farmers' deliveries and yes- day's marketings were 2,348,000 bu --still large compared with last r of 1,084,000 bu, but after another ten days we look for a sharp pping off, and probably there will be comparatively little to dis- of by farmers after the turn of the year.

The domestic situation is also improving right along and re- pts continue to be extremely light. Primaries today were 663,000 compared with 993,000 bu last week and 1,397,000 bu last year. How- in today's receipts are included 157,000 bu of sample grade wheat n Canada. We also assume that some of the Duluth receipts do not from our farms, but also represent importations and without same totals would be extremely light.

Stocks at Kansas City, Duluth and Minneapolis so far this week w an increase of 222,000 bu, which leads us to believe that the ible supply will show only a very small increase on Monday.

(O V E R)

Liverpool cables closed from 3/4 to 1¢ per bu lower. They we partially influenced by very favorable harvesting weather in Europe now, but also they had knowledge that the Winnipeg guaranteed price would not be raised. Canadian traders seem to have been very much disappointed at the decision which was taken regarding this minimum price and the Winnipeg market showed a very sharp decline, which in turn influenced ours.

During the last hour of the session there was extreme weaknes in September corn, and with little outside buying very heavy liquidation set in in all pits, so at the close of our wheat market the leading future showed a decline of 3¢ per bu.

World shipments this week, outside of Canada, will again be very light and at the rate foreigners are buying at the present time will not give them a chance to make any great accumulations to replenish their depleted stocks.

For the first time in a long while we had some moderate to go rains in Nebraska and Kansas, which will be very helpful for the cultivation of the land. Not all points in those states were so favore but the prospects are for more showers and if sufficient moisture is provided we believe it is the intention of farmers to put in tremend acreages. At the present time there is still some apprehension that soil conditions might prevent them from carrying out their plans.

More favorable weather for vegetation in general and continue importations of Argentine corn are causing some realizing sales in this cereal. Shipments of Argentine corn this week included 1,657,0 bu destined to the United States, 228,000 bu to Canada and 24,000 bu to Japan. Of course it remains to be seen whether these importation will keep up on such a large scale when it will come into competitio with our new crop at prices very much lower than those existing for the old one.

Oats and rye also declined in sympathy with the other cereals

UHLMANN GRAIN CO.

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CHICAGO August 29, 1936.

Liverpool markets were influenced by the extreme weakness in th America yesterday, and also the news from Ottawa that there had n a settlement of the minimum price to be established on wheat at figure of 87 1/2¢, or the same as ruled last year.

It has been apparent ever since the present government was in er that the desire existed to get out of the grain business and ordingly both cash wheat and futures have been liquidated in an erly manner to bring about these reductions. Apparently it is felt t if too high a price is established now it would put the govern- t back into the business, which is exactly what they have tried to oid. There is, however, a sharp contrast in this year's policy differentiated from last year's in that the Wheat Board at the sent time will not be a direct factor in handling the new crop ess the price falls below 90¢. The new policy, as we read the visions of the Act, provides for an actual peg and with this pro- ction it is felt that elevator companies and others will feel free make more generous advances to farmers than they otherwise would It is thought that these advances will probably rise to 80¢ per hel because the action of the government at the present time will ove danger of a loss.

In any event yesterday's liquidation apparently corrected the hnical position of the market with the result that pressure was h lighter this morning.

We have pointed out on several occasions that this is only the cond month of the crop year and yet receipts from everywhere are coming lighter; consequently we do not look for much hedge selling any kind to depress values for the balance of the season, and porarily the only deterrent to bullish enthusiasm is the Canadian uation with country marketings still heavier than the demand, and, refore, accumulations are taking place.

On Monday the weekly shipments of wheat and flour from Argentina, stralia, India and other countries will amount to 4,472,000 bu, much same as last week when they were 4,340,000 bu. With North American arances the total world shipments will be over 9 million bu com- red with 7,395,000 bu a year ago. It seems that the tendency from k to week continues for importing countries to buy larger supplies n last season.

Primary receipts were very light again today, and only amounted 478,000 bu compared with 658,000 bu last week and 1,207,000 bu last r. Stocks at Kansas City, Duluth and Minneapolis show a net in- ase so far this week of 298,000 bu. We think the visible supply Monday will show only a moderate increase, and that very shortly roads will be made upon our stocks, particularly as carlot deliveries e fallen to very small proportions. Last year the visible supply wheat increased 4,468,000 bu, and we are convinced that it is an irely different situation now.

The tone of the markets was considerably better today than dur- the past two sessions, and a good many people figure now that h the small crops in North America there is a limit as to how low price of wheat should reach, even during the period of accumula- ons in Canada. Consequently some purchases took place today, and the close the leading future showed an advance of 1 1/8¢ per bu.

Corn also was in better demand, and the amount of corn in cago public elevators is still very small, being 221,000 bu, and private elevators last Monday, 1,375,000 bu. However at the pre- nt time it is all bringing good premiums over the September delivery. refore we do not look forward to many tenders on September con- cts unless the situation should change.

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August 31, 1936

Liverpool wheat cables showed a firm undertone today and their
res advanced 2 1/4 to 2 3/4¢ per bushel.

We think those who believe in higher world wheat markets later
may take quite a good deal of encouragement from the way foreign
rets have been acting of late. While it is true there was quite a
line from the highest price prevailing at the time when such great
rtainties existed regarding the size of the Canadian crops on ac-
ut of the drought, nevertheless the level which seems to have been
tblished is much higher than at any time during the last four or
v years. This, we believe, is due to recognition of the fact that
plies are by no means overabundant and that fair prices will have
e paid this year by millers and importers abroad, competition among
rters being very limited.

World shipments this week were 8,748,000 bu, somewhat larger than
s year when they were 7,395,000 bu; and since July 1 exports from all
tries totaled 80,980,000 bu, an increase of about 14 million bu
the same period last year. This, however, includes wheat importa-
s for consumption to the United States of 8,016,000 bu against only
54,000 bu last season. Canadian oversea shipments so far were more
n double that of 1935, amounting to 41 million bu approximately,
sus 20,500,000 bu in 1935. This opportunity was given them on ac-
ut of the much smaller clearances from the Argentine; and also
sia so far has not cleared one bushel of wheat.

In view of this heavy drain on Canada, it is well to consider
her situation will be from now on. Farmers' country marketings
the three provinces from August 1 to August 28 amounted to
272,000 bu compared with only 9,978,000 bu in 1935, on a much larg-
crop. It is further assumed that by the end of the day, for the
st month, farmers' deliveries will be at least 45 million bu, on a
p of 225 million bu, of which 55 million bu are usually needed in
interior; so only 170 million bu are likely to come to terminal
nts. Therefore the movement the first month exceeds over 25 per
of the amount we may expect during the entire year; and all we
look for in the way of country marketings from now on for eleven
ths will be 130 million bu. Last year on a crop of 272 million bu,
ut 216 million bu were marketed, and during the month of August
ut 12 million bu appeared at terminal points; consequently 204 mil-
n bu were shipped after this period. The country movement from now
should be 74 million bu less than last season.

The situation in the United States is very similar for the same
son: namely, high prices and the early harvest, the primary move-
t has been way in excess of what it usually is for the first two
ths of the crop year on yields very much the same as those this sea-
. Primary receipts so far are 116,349,000 bu compared with only
064,000 bu in 1935, and there is supposed to be not much difference
the size of the two crops. Consequently from now on receipts at
minal points are bound to decrease. Today's movement was again
y light, 703,000 bu versus 822,000 bu last week. Visible supply
cks are now increasing only very slowly- in fact, had it not been
the importations there would have been a decrease in stocks this
k. This is very unusual for this period of the year, and the in-
ase in stocks last year was 4,468,000 bu, but total stocks at ter-
al points are still over 19 million bu larger than at the end of
ust, 1935.

Trade was prepared for higher markets, particularly as Winnipeg
times was also quite strong, but great weakness developed during
-session, and the close showed a decline of 3/4¢ per bushel com-
ed with Saturday. The reason we did not respond more to either
les or outside markets must be partly due to the lower trend in
n, and also to a lack of speculation, while probably some large
ios of long wheat were liquidated by holders.

(OVER)

This, however, in our opinion, will have no significance finally. We were fully prepared to see indifferent markets for a while until eventually hedgers will reduce their accumulated stocks and remove hedges, which naturally would tighten the market.

Tenders for delivery tomorrow, the first day of delivery, wil be about 150,000 bu, but the quantity is so small that we believe i will be easily absorbed.

Inasmuch as Chicago wheat stocks again increased 261,000 bu a now amount to 11,025,000 bu, it is quite evident that most of the elevator concerns prefer to merchandize the wheat rather than deliv it on future contrqcts.

Corn receipts, while somewhat better, are still light, 649,0 bu against 535,000 bu last week. The visible supply of corn showe a decrease again of 402,000 bu, and is now 4,294,000 bu in all positions versus 5,953,000 bu last year. There is, of course, this gre difference between 1936 and 1935: that in the former year prospects were for a crop about 7 or 800 million bu larger than the one is anticipated to be harvested. Starting with such small supplies no only in the visible supply, but in all other positions, this cereal appears to be in a very strong position.

Oats and rye followed the trend of the other cereals and both closed lower.

UHLMANN GRAIN CO.

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September 1 1936

Southwestern traders and merchants are still watching the ather conditions in their territory almost as much as they did in he period of the growing season. It is undoubtedly the intention f farmers to put in a tremendous wheat acreage provided soil conditions permit. They would be willing to take a chance that they hall later on get the usual fall and winter rains or snows, but in he meantime it is absolutely necessary for some precipitation to ut the soil in condition so that the new plant would have a fair hance. There were reports of some rains today on the border line f Kansas and Missouri, but from the best information which we can ather the rains were only very spotted and very light and much more s needed to bring about the best results. For the week ending August 5th the average precipitation for Kansas was only 0.21; Oklahoma .12; while Nebraska was more favored and had 1.05. The probabilities re, however, that sooner or later, and yet in time, there will be ufficient moisture for plowing and sowing,so that even the light ains overnight had a rather bearish effect on wheat futures at ansas City.

Liverpool cables were rather weak following our decline of esterday and prices receded from 7/8¢ to 1¢ per bushel. At first ittle attention was paid to same as there happened to be some buyng orders in the market at the opening and with the trade being exremely light it requires but very little activity in either direcion to influence the market. Later, however, trade fell off, early dvances could not be maintained, and at the close our leading fuure showed a decline of 1¢ per bushel.

Broomhall continues to be rather optimistic as to the quantiies which will be needed by the importing countries compared with ast season, owing to the smaller crops in many continental countries, ut at the present time foreign millers as well as our own are not ery active buyers. It seems that our millers must have been very eavy purchasers during the crop scares and can afford at the present ime to await further developments before either replenishing their tocks or making new commitments as the flour demand enlarges. Howver, we are today starting only the third month of the crop year nd find receipts decreasing to very low proportions. Primaries toay were only 413,000 bu and shipments actually larger at 442,000 bu. ast week they were only 637,000 bu and last year for three days ,038,000 bu.

The Canadian movement from interior points amounted to ,998,000 bu compared with 3,202,000 bu a week ago. It seems that he present movement, which ought to subside soon, is being aborbed reasonably well, and the Winnipeg market was stronger than urs most of the session.

There were no new tenders on September contracts today and s the deliveries so far are disappointing insofar as the quantities re concerned, the September future was the strongest. However, he open interest for that month is only a little over 11 million bu, ractically the same as our local stock; consequently, nothing senational is likely to happen and should September wheat gain coniderably on the December, no doubt further deliveries will be made uring the month.

The wheat market at the present time is without any great eader and is largely influenced by moderate orders- - buying or elling-- as they come into the market. Just now it seems that the ongs are on the defensive and several lines have been liquidated by ired holders. However, as long as the statistical situation remains trong we see nothing of a prolonged bear market,and with any improveent in the milling demand a reaction upward would be quite possible n face of the light receipts.

We also assume that since the difference between Minneapolis nd Canadian futures has narrowed considerably, the prospect is less avorable for as large importations such as we have had, and probbly less new business is being transacted at the present time.

As far as corn is concerned, we have practically had a delining market more or less ever since the drouth was broken and any territories have been favored with rains, which, to say the east, helped late potatoes, forage, etc. The movement, however, ontinues to remain light and with the declines the prospects are lso for smaller Argentine shipments from now on until the situation gain changes.

Oats and rye followed the trend of the other cereals closing ower with only slight interest being displayed in same.

DAILY MARKET LETTER

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CHICAGO September 2, 1936

The trade took some encouragement early from the fact that Liver- od. wheat futures did not decline as much as our yesterday's market. her final prices were 3/8¢ higher to 3/4¢ lower than the previous day. European crop weather is now mostly fine and favorable for harvest- ng, but with the exception of the Danubian countries, where good crops er raised, results are rather unsatisfactory. The latest estimates wheat production as compared with 1935 show:

about 5 million bu more wheat for Germany
36 " " less " " France
45 " " " " " Italy
9 " " " " " Great Britain
15 " " " " " PORTUGAL

It also seems that non-European countries despite higher prices take their usual quotas; and so far during the month of August absorbed 11,148,000 bu compared with 10,162,000 bu the year before. As long as the exporting countries have to furnish about 10 mil- bu of wheat with no large competitors except Canada, this latter utry will have no trouble in disposing of her surplus and it is a prediction that by August 1 next year the carryover will be the lest it has been in about ten years; therefore a very close world istment between supply and demand is in sight. This is one of the sons why our wheat market rebounds quickly whenever large liquidat- selling stops. There is absolutely no new pressure whatsoever any ger in our domestic market.

Primary receipts were only 332,000 bu, so far the lightest on the o. This compares with 1,262,000 bu last season similar day. It is seldom even after the bulk of the crop has been moved, say in March April, that the primary movement is not bigger than that. Of course, s possible that farmers are somewhat reluctant to sell their hold- ngs in the Southwest until more favorable weather for plowing is in nt. There also may be a tendency to hold wheat back where it might needed for feeding animals in place of corn, which is so scarce in territories. Nevertheless with the short wheat crop raised in Northwest, we doubt whether at any time this year there will be a densome movement.

Trade, however, is so light and new investors so scarce, that again has been difficult to maintain early advances, and the close shows a slight variation from yesterday, the chief future being 1/8¢ her. The volume of trade in wheat yesterday was only 26,328,000 bu will probably be considerably less today. A large part of same con- tutes changing from one future to another.

There were moderate to heavy rains during the past twenty-four rs over eastern Kansas, Missouri, Iowa, Illinois, Indiana and Ohio, soil conditions in the soft winter wheat states ought to be very at the present time; but the farmer in the largest part of Kansas, homa and other parts of the Southwest is still very much worried, wing and seeding being delayed so much, and precipitation is urgent- needed to obtain the best results. Trade pays comparatively little ention to this outlook for the new crop at the present time, but ters its attention more on the rather favorable prospects in the thern Hemisphere, although they are still four months away from the vest and much might happen in the meantime.

The movement of wheat to Canadian interior points is still fairly vy, farmers' deliveries amounting to 2,808,000 bu, on a much smaller than last year. This, however, we do not expect to last for any gth of time.

Stocks at Kansas City, Duluth and Minneapolis so far for the week a net decrease of only 102,000 bu, and heavy importations of Cana- wheat will probably decrease now. We believe also that soon we ll have seen the maximum of our stocks in the visible supply and that uctions will take place before long.

The elevator strike at Minneapolis is still serious and has now ended to the mills. It is only natural to assume that under these

(OVER)

circumstances they will not be as active buyers of the cash article as otherwise would be the case; and we believe this has a great deal do with the late hesitancy on part of many in the market.

Corn receipts continue to be light, primaries being only 317,000 bu. Despite importations this is a quantity which will be absorbed. New crop futures were quite strong at times and actually closed highe than yesterday.

Oats and rye were more or less neglected, with small fluctuation,

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CHICAGO September 3, 1936

To illustrate forcibly the smallness of the present wheat movement, e ive herewith the reported carlot receipts today compared with those f ast week and last year:

	Today	Last week	Last year
eapolis	29	43	382
th	14	25	141
ago	15	21	39
t. Louis	27	30	20
as City	49	98	122
a	16	28	70
l	150	245	774

s quite possible that the strike at Minneapolis may have something o with the very small arrivals there, but inasmuch as the spring t crop in the three states was only such a small quantity above is needed for seed, it was quite evident at the start that for thei ling requirements this year both Duluth and Minneapolis at best would nd practically entirely upon wheat shipped from territories which re not usually contributory to their market.

Primary receipts were only 318,000 bu, with shipments amounting to 000 bu. This compared with primary receipts of 1,199,000 bu last , and it is quite clear that under these circumstances accumulations erminal points will stop and decreases in the visible supply will be in order.

Liverpool cables were much of a surprise to the trade, their fu- s advancing 1 3/8 to 1 5/8¢, whereas a rather weak cable was expect- ,following the late decline at Winnipeg yesterday. However, for- ers have many reasons of their own for being tempted to feel that t prices might be low enough. Millers are not finding it any too to cover their requirements except by meeting the demand of the ex- ers. There were such plentiful supplies during the last few years it was a buyer's market right along, but through reduced crops in countries the reverse is the case at the present time. Great hopes been placed on part of foreign purchasers that Black sea shipments t be large enough to temporarily offset the great deficiency in rances from the Southern Hemisphere. However, they are again quite l this week, being 1,336,000 bu compared with 1,384,000 bu last year little of this wheat is offered for English ports and is absorbed ly by Continental countries, particularly Italy which country was v ry indifferent buyer the previous season. Estimated Argentine ship- s are only 919,000 bu versus 2,432,000 bu last year, all of which s it quite evident that Canada will have to be drawn upon very ily again this week to fill weekly requirements.

Private crop experts gave their individual estimates today on the l outlook for spring wheat, but the figures varied so little from was expected that they had no market effect whatsoever. The great ngth which prevailed right after the opening and continued more or during the session was due entirely to the foreign news which in affected the Winnipeg market. At the close all domestic markets, ell as Canada, closed considerably higher, our leading future gain- l 3/8¢ per bushel for the day.

The weather was considered more favorable, as rain was beginning all this morning in western Kansas and indications are for further ipitation which if it should materialize would be very beneficial putting the Southwestern soil in good condition and enable the far- to plow, and later on seed his wheat at many places where it has impossible to do so on account of the extreme dryness.

Private estimates on the corn crop averaged 1,416,000,000 bu com- d with the August government estimate of 1,439,000,000 bu, so no trial change. The market was much stronger even before the figures given out, partly in sympathy with wheat and also because it seem- hat the prolonged liquidation was over and receipts continue to be light. Primary markets received only 314,000 bu versus 391,000 ast week. The close showed a gain for the day in the leading new future of 1 1/2¢ per bushel compared with yesterday.

The oats crop is estimated at 786 million bu- also a very small one d whatever temporary conditions might prevail from time to time, it old never be forgotten, nor overlooked, that yields of all cereals very small this year. There is no great surplus of anything which ould be substituted for the scarcity of the other to a large extent.

Rye sympathized with the strength in the other cereals and also ood higher.

DAILY MARKET LETTER

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CHICAGO September 4, 1936

Liverpool wheat cables were very strong today, their futures ancing 1 1/8 to 1 3/8¢ per bushel. The reason for this strength oad is not difficult to find. Australian and Argentine shipts together were only 2,134,000 bu compared with 3,825,000 bu t year. Liverpool October wheat is now selling more than 12¢ over nipeg October wheat, a full shipping difference, something which not often occurred during recent years. A situation such as s creates a sound foundation. We have much more confidence in ues when consuming markets are leading rather than when the spective element is forcing prices up. Also this is a season when inant factors point to great strength both abroad and in the ted States. The fact that Winnipeg, as well as Liverpool, has sed prices lately, just at the time when the movement in Canada, largest exporting country, is at its height certainly leads to conclusion that if nothing unforeseen happens, chances for imving values will be still greater when this pressure of the heavt marketings in the three Canadian provinces is on the decline.

Here in the United States receipts continue to be extraorarily light. Today's primaries were 347,000 bu versus 1,480,000 last year and shipments were 729,000 bu, actually more than dou the receipts. Under these circumstances, of course our stocks terminal points will start to decrease, and the visible supply t Monday might possibly show its first decline. Our visible ply is 78,445,000 bu, virtually the same as it was on October 26, 5, when it had reached its maximum. However, if from now on we ll have decreases instead of increases, of course by the end of ober our stocks are likely to be much smaller than in 1935.

One of the best informed concerns in Kansas City, Robinson vator Company, believes that about 65 per cent of the Kansas crop been moved from the farm and on that basis and their estimate of crop, which is larger than government figures, there would be only 500,000 bu left on farms. They further estimate that about 25 lion will be needed for feed and seed, so there would be available millers from now on only 20,500,000 bu out of a crop of 130 mil bu, the amount supposed to be harvested. Our reports from all r the Southwest continue to indicate a very large consumption of at for animal feeding, and hogs and cattle this year undoubtedly l be greater competitors with human beings for whatever wheat is ilable.

Showers have been quite general the past twenty-four hours Nebraska, Kansas and the Texas Panhandle, just where it is badneeded to prepare the soil for seeding the new wheat crop. There indications for showers over this entire district, and we believe s will dissipate all fears that weather conditions should prevent planting of a normal or abnormal acreage. Were it not for the t that supplies of old wheat will be so closely adjusted this son, this would have had a bearish effect on the market, but as is wheat might be worth one price this year and an entirely difent one next year, when instead of having a very short crop we ht have a bumper one.

The undertone of the market kept strong during practically all session with final advances in December wheat of 1 3/8¢ per bu pared with yesterday.

Corn receipts were light at 348,000 bushels, and with shipts of 189,000 bushels, to which the local consumption of each of various points will have to be added, there is not much chance accumulations at terminal points. There has been no corn deered on September contracts so far, and the open interest is still ge, 6,306,000 bushels, showing a decrease since yesterday of only 000 bushels. One short - or hedger - after another is becoming red and a few buying orders made it clear that the supplies are scant and it was not difficult to bring about the rise of over nts a bushel. Naturally, this also affected the December ure which closed considerably higher.

Oats and rye followed the trend of the other cereals, and it generally recognized that all foodstuffs will remain scarce for remainder of the season.

UHLMANN GRAIN CO.

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CHICAGO MERCHANTILE EX.

CHICAGO September 5, 1936

The Liverpool wheat market continued to show independent strength sent better quotations than had been expected. This was about the rd session that they had advanced largely on their own initiative, we believe that there were a number of contributing factors.

First of all, Broomhall claimed that there was better investment ng abroad, owing to firmness of all shippers and, moreover, we pre- that native supplies are also being offered more sparingly with result that on expectations of better flour bookings the trade is what more optimistic. It is a fact that in Russia the harvest is reported the worst since 1921, causing much distress, and apparently early promise for a good crop is entirely dissipated. This was shadowed by the absence of shipments from that country, which in years may be regarded as a barometer. At the moment Europe is ting the bulk of her supplies from Canada, which country is the only in a position to offer and ship on a large scale. We find that August 1 to September 1, 50 million bu of wheat have been deliver- by farmers in the three Canadian provinces compared with only 15 lion bu a year ago. Despite this year's crop being so short, this made possible on account of most wonderful harvesting weather and crop maturing early. At the present time about 95 per cent of the at cutting is finished in the Prairies. On basis of the prevailing imate of 215 million bu for the three provinces, only about 160 lion bu will come to market. Therefore including the few days in tember, one-third of the Canadian crop has already been delivered armers.

In discussing the wheat situation with Canadian people, they seem y satisfied with the way the market has absorbed the heavy amount hedging up to this time. It is generally believed now that within cher week or possibly ten days the movement from the country is nd to lessen and that therefore in the near future demand will be to keep up fully with supply.

As far as our country is concerned, receipts are very light every- re and the primary movement today only amounted to 321,000 bu, which wed a considerable dropping off from last week and compared with 01,000 bu last year. Stocks so far this week at Kansas City, th and Minneapolis show a net decrease of 335,000 bu; and as we tioned yesterday it is quite likely that the visible supply on Mon- will show a decrease, and this is starting at a very early date.

The market seems to be lacking any great speculative enthusiasm since the period of crop scares ended, a great many holders became what discouraged and liquidated their lines. This has made a lthy condition for the long run, but nevertheless the actual demand not been sufficiently large to stimulate much activity, and there- any advances which have taken place have come about rather slowly were only moderate in character. We think this situation will con- ue and do not look for any sensational upturns.

Corn was influenced early by the great strength of the September ure and also higher wheat prices. Later in the session the Argen- denial that an advance in the minimum price had been contemplated ught about reactions in our market, although in the main we believe t prices here are influenced by the present scarcity of offerings the prospective shortage of supplies, as evidenced by the recent imates of the crop experts.

Rye and oats enjoyed only a moderate trade and fluctuations of se cereals were largely in sympathy with changes that took place in at.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO September 8, 1936.

Foreign markets recovered most of their yesterday's decline during
r holiday here, although futures at Liverpool finally showed the
al net decline of 1/4 to 5/8¢ per bu, which is not very serious con-
idering previous advances which they had for a number of days.

None of the regular exporting countries are putting large supplies
heat on the market at the present time, and total world shipments
r rather small, 8,063,000 bu compared with 8,040,000 bu in 1935.
plies were furnished from the same sources much like those of the
ious year, with the exception that Canada again had to sell about
80,000 bu more to offset the reduction of the same amount shipped
rgentina. So far since July 1st, when our new wheat crop statis-
ic started, there has hardly been a week when Canada did not clear
rer quantities than the previous season. Therefore her position in
e world situation is becoming more and more important.

If comparisons are made with the 1935 season, we find that the
ndian crop is about 50 million bu less, that the carryover at the
gnning of the season was 90 million bu less, and so far farmers'
liveries have been about 38 million bu more. Total country deliver-
s since August 1st were 58,984,000 bu versus 20,808,000 bu a year
c all of which must lead to the inevitable conclusion that with
s supplies on hand and greater demand from everywhere a much sounder
tation has been created.

Importations to the United States, a comparatively new-comer among
porters, is particularly significant. Since July 1st they figure
2,000 bu for home consumption whereas in 1935 they were 3,363,000
. In addition to this the United States bonded mills purchased
00,000 bu against 1,761,000 bu to grind into flour for other coun-
s, which in former years may have been partly supplied from the
ed States.

At our opening the market at times showed more or less weakness,
ng partially influenced by more favorable weather conditions over
the country. Scattered showers have been quite general in most
es, especially over northern and north central sections. General
ns also occurred in portions of the Canadian provinces, and fears
e been largely dissipated that the wheat acreage in the Southwest
ld have to be curtailed on account of too-dry soil conditions. It
s true, relief as yet has not come all over the territory, but there
s plenty of time yet, and in the meantime the outlook is much more
opeful than it was.

As time passes,domestic indications become plainer that there will
e no great pressure any more of heavy farmers' wheat sales on this
p. Total primary receipts were only 696,000 bu, which also in-
ldes an extra day on account of Monday having been a holiday, and
lo takes in 145,000 bu of low-grade wheat which was received from
ada. This compares with 1,658,000 bu received a year ago. Ship-
ets were considerably larger than receipts, amounting to 945,000
u It is, therefore, no surprise that with such conditions the
ible supply should start decreasing at an earlier period than usual,
s week the decrease being 213,000 bu versus an increase in 1935
f 2,347,000 bu. It is true, stocks are still larger by 16,782,000
u than they were last season, but we believe it will not be very long
ore such inroads will be made on our supplies that before the turn
f the year available stocks might be considerably smaller than the
r vious year. Local stocks also showed a decrease of 180,000 bu, but
still quite formidable at 10,845,000 bu. The demand for the red
at, which forms a substantial part of the holdings in this city is
as urgent as that of the hard winter and spring wheat which is
paratively much scarcer.

During mid-session a Government report came out on cotton, which
extremely bullish, and boosted that commodity; and with the Winnipe

(OVER)

market already being very strong, and with the advancing stock market this all tended toward creating more enthusiastic sentiment for the major cereal. While trade was light less hesitancy was displayed in making purchases with the expectation that profits on same might soon be realized. The trade also found encouragement in the fact that three-days' receipts at Canada were quickly absorbed, and that Winnip was the strongest market of all.

At the close our December future showed an advance of 3/8¢ per bu compared with Saturday's final figure.

Corn at times was influenced by advances or recessions in wheat, but there was not the same enthusiasm displayed in adding to long lines. The inherent position of old corn remains very strong. Primary receipts were only 436,000 bu. The open interest in September corn as of last Saturday was still at the formidable figure of 5,845,000 bu. The visible supply showed a further decrease of 231,000 bu, and stock at all reporting primary markets in the United States are only 4,063,00 bu. It will be rather difficult to bring in enough corn to fill contracts, but, of course, the present holders may be willing to supply shorts, particularly if the difference between September and Decembe should widen still more.

Oats and rye were weak and followed more the trend of corn than that of wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO September 9, 1936.

Copious rains have fallen the past twenty-four hours over central eastern Kansas and showers over Nebraska and western Missouri. Some e territories still need rain very badly, but all in all moisture itions are very much better than a week or so ago, although a great more precipitation is needed. However a start has been made. This d be more effective as a market influence were we trading in new- futures, but the view is generally held that our surplus at the of the crop year will be so much reduced that old-crop wheat prices new ones may be an entirely different proposition.

In Liverpool there is quite a variance in price level even between ber and March wheat. No doubt they figure their needs can be more ly supplied after the turn of the year when the Southern Hemisphere harvest its new crop and will be able to ship in much larger vol- In the meantime, however, there is no pressure abroad from any ce whatsoever. The next largest competitors to Canada are the bian provinces, and while they have a fair amount to sell there are buyers for same and all the Continental countries are competing fo ,together with England. There was another advance in Liverpool fu- s amounting to 2¢ a bushel, and their October wheat now is practica 4¢ over Winnipeg, which constitutes a full shipping difference; if is maintained there ought to be a largely increased business befor . This continued strength abroad gave us a much higher opening, the Winnipeg market following, but advances could not be held for of buying power. The Chicago market has always been considered th t barometer for wheat values, as opinions were expressed here by th e world based on conditions; but it is less so at the present time. iment still remains very bullish but it is not sufficiently shown uotations on account of lack of interest and buying power. There s to be no great pressure at any time and holders of futures seem e convinced that their position is impregnable and are willing to t the final outcome; but at the same time with the small fluctua- s and reluctant advances it is difficult to find sufficient new rs at advanced levels. Should this indifference on part of many inue, naturally any upward movement will be slow and will only come stocks are reduced and hedges have to be taken out. A helpful ulant might be furnished if the strike at Minneapolis would be set- , so that millers in that city would be willing to push flour busi- faster. Also as a finality much will depend on the amount of whea ing to animals which will take place.

We have reports almost daily from livestock men in the Southwest, claim that they will feed more wheat than at almost any time before, it will remain questionable whether this can be said from all parts he country. In the Northwest where not much wheat was raised, of se, the animal feeding would be only of small proportions. In the we again look for a heavy demand from that source, and it is quite ible that the small receipts at terminal points at the present time due to these conditions. Today they were only 335,000 bu compared 1,740,000 bu last year; and shipments were 441,000 bu versus ,000 bu last year. We doubt if there will be increases in the visib ly any more on this whole crop, except possibly sporadic for one or weeks.

Primary receipts of wheat for the first two months of the crop yea over 116 million bu. This was an unprecedented movement for the of the crop; and we predicted at that time that it would have to orrespondingly slow afterwards. We now find that the first week eptember total receipts were only 2,586,000 bu. If they do not in- se from now on, and we doubt that they will, it will take the re- ing ten months to equal the first two.

The trade remained extremely light during the whole session, with December future finally showing a decline of 3/8¢ per bu.

Corn receipts continue exceedingly light, Chicago received only ars. However the demand is equally poor, as the East is being gely supplied with importations of Argentine corn. Primary receipts only 368,000 bu, but shipments declined to 125,000 bu. So far e are no signs of any accumulations, nor any deliveries of Septembe , both shorts and longs seem to be rather stubborn. The open in- st is declining a little, but last night it was still 5,693,000 bu h is quite large considering the small amount in store here which ld be delivered.

Trading in oats and rye was very small; oats showed a fractional line from last night's close, while rye advanced a little.

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CHICAGO September 10, 1936.

For several years now the world wheat consumption has overtaken production. This, in our opinion, is due entirely to short crops in various parts of the world. However we would not yet concede that with normal crops sufficient wheat will not be raised for all requirements. However it is a fact that last season the carryover was reduced 210 million bu, showing that for the period 1935-36 much more wheat was consumed than produced. Therefore with the same size crops and similar consumption, this year there would be another decrease in stocks of 210 million bu. In addition to this, it is estimated that exclusive of Russia and China the world crop is 110 million bu less. Consequently world stocks might have to be reduced further from the 634 million bu at the beginning of the current crop year, which would bring them down to 424 million bu, which amount would be extraordinarily low and a closer adjustment than there has been for many years. In fact this would be only a little more than world requirements for six weeks' consumption. This, of course, might be modified if Argentina and Australia raise extraordinarily good crops, in which case the production compared with last season might be somewhat increased, but still would mean a very tight situation.

It must be due to these facts, which are being thoroughly recognized abroad, that Liverpool futures do not seem to want to go down, even when Winnipeg and our market become weak. The trade had been looking forward to rather weak cables today, as Winnipeg futures had declined yesterday about 1¢ a bushel; but after a slightly weaker opening Liverpool futures finally closed virtually unchanged, December wheat declining 1/8¢ and March advancing 1/8¢. This, despite the fact that for the first time this season Black sea shipments were very heavy, amounting to 3,552,000 bu versus 1,048,000 bu last year. Argentine estimated clearances are 1,280,000 bu compared with 3,433,000 bu a year ago. This, however, was expected. North America cleared this week 3,550,000 bu, which is less than Canada had been shipping recently, but still considerably more than last year when Canada furnished only 1,641,000 bu. From all indications weekly world shipments will be larger than last year similar week; and it appears to looks as if during the remaining periods of this crop season foreign requirements would exceed those of last year. The United Kingdom still remains the largest consumer and her wheat crop is approximately 10 million bu less than in 1935. Actual signs are already in evidence that her needs are greatly increased and importations so far since August 1st are considerably more than last year. The fact that such a large part of the Black sea shipments goes to Continental countries, chiefly Italy, Germany, Greece, etc., also shows that those countries which had been very reluctant buyers for several seasons must now enter the world market to feed their people.

Canadian wheat stocks as of September 4th were 130,079,000 bu against 194,539,000 bu the same date in 1935, or 64 million bu less. Furthermore considering that much less wheat was raised and the larger quantity already moved, the amount in farmers' hands must be measurably less than it was then; so we can see only diminished pressure from that source as the season progresses.

In our domestic market the movement continues to be light, and primary receipts were only 359,000 bu compared with 1,772,000 bu last year. Shipments were actually larger, amounting to 428,000 bu, all of which indicates that probabilities are great for another decrease in the visible supply on Monday. There are many complaints about the poor milling demand at the present time. There is no question, in our mind, but that mills supplied themselves liberally when wheat was moving freely at the start, but, of course, their stocks cannot last for too long a period, and whenever the flour demand improves we expect great inroads on present stocks.

(O V E R)

Trade was extremely light, which is usually the case on the e of a Government report. Same will come out this afternoon, but nobody expects any extreme change from the previous figures on the spring wheat estimates, and no other information as far as wheat is concerned will be given out. There might be some surprises, however, regardi corn yields, and, of course, any news which would cause radical changes in the price of corn would sympathetically affect wheat.

The net changes for the day were very light, the close showi 1/8¢ per bu gain.

The corn movement also keeps light in spite of the good pric which are being paid for old-crop carlots. Total receipts were onl 174,000 bu, and shipments amounted to 219,000 bu. The open interest in September corn decreases only very slowly, and is still at the high figure of 5,589,000 bu, with practically only 150,000 bu available in public elevators for delivery. It is true, there is more corn i private elevators, but with existing premiums it is not likely that it will be turned into public stocks to fill September contracts. W think it is a prudent policy for either outright shorts or for those who have corn in position where they cannot fill sales with actual deliveries to clean up their short engagements.

Interest in oats and rye is very limited. Yesterday the tota turnover in oats for all futures was only 1,679,000 bu, and in rye 276,000 bu. Fluctuations were quite insignificant.

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CHICAGO Sept. 11, 1936.

After our session had closed yesterday two government reports o wheat were given to the public --one from the United States Deprtment of Agriculture and one from Canada. The figures given on sring wheat in the United States were practically the same as last me and just about as had been expected, so this could not have been ay influence on today's market. The Canadian figures were also much a had been anticipated --220 million bu for the three provinces and 1 million bu for the balance of Canada, a total crop of 232 million b.

As a rule a report which has no surprises causes no great change i the position of traders, and, therefore, does not affect values a gat deal, but yet these latest estimates on Canada which now give us smething definite to figure on, were construed as extremely bullish.

Not looking retrospectively, but rather prospectively, we find tat a crop of 232 million bu, of which 110 million bu are consumed a home in the shape of flour, feed and seed, would leave only 122 mllion bu for export on this crop. If we deduct from that 20 millon bu which had been exported the first month and lay aside 40 millon bu which will probably be needed for the United States, it would lave only 62 million bu more for overseas shipment until the carryoer will have to be drawn upon to supply the additional needs. At te rate wheat clearances are taking place, this would take about ffteen weeks. Furthermore it must be considered that this year's cop was harvested exceptionally early and as a general rule new cops are not available in Canada much before the first of September; terefore, the present supplies will have to last until then. This atogether was construed as rather constructive both in Europe and hre, but particularly in Canada where futures showed a very sharp avance during the session. Liverpool also must have been very much ipressed, particularly as their supplies from Australia are dwindling, ad with no outlook of receiving many shipments from the Argentine tere is really no big country left to fill their needs outside of Cnada except the Danubian provinces.

Australian shipments were 969,000 bu compared with 3,433,000 bu ayear ago and their prices are comparatively high against those of cher competitors. This creates a tight world situation such as has nt existed for many years, and while we see no absolute scarcity in sght, yet supplies at the end of the season might be so low that hgher prices are warranted.

Country marketings in Canada are still large, but they show some flling-off; and for the first time this season are considerably less tan last year, being 2,699,000 bu compared with 3,524,000 bu. The omestic movement continues to be extremely light, and primary receipts wre only 357,000 bu versus 2,002,000 last year. Stocks at Kansas City o far this week show a decrease of 156,000 bu, in spite of the poor mlling demand, and from now on we expect to see very heavy decreases; onday the visible supply will probably show another reduction in socks, while last year there was an increase of 4,523,000 bu.

After the market once started its upward swing there was no great t-up at any time; there was never any urgent liquidation, and the cose was practically at the top of the day, the December future showng an advance of 1 3/8¢ per bu.

Receipts of corn remain light, 242,000 bu, with shipments of 56,000 bu, showing no chance of any great accumulations. Premiums ar omewhat easier, but the September future keeps very strong.

Oats and rye were both stronger mostly in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO September 12, 1936

It now appears as if a great many new records will be made during hi crop year in the world wheat situation compared to recent times. anda, which is the most important factor at the present time, having surplus such as no other country, faces this season with the shortest eat crop in seventeen years. In addition the farmers' movement was ormally large compared with the size of the crop, owing to satisfac- ory prices obtained, the most favorable weather and an early harvest; onsequently farmers' holdings at this season of the year are probably he smallest in the last two decades.

In the United States also, with a short crop, practically the same nditions prevail. The primary movement during the past two months as so large that possible receipts during the next ten months might ch a new low record. This will have the tendency to decrease our ible supply stocks in commercial quantities earlier than usual, and o a larger extent.

In the years before the War Russia and the United States vied with each er to see which would export the largest quantity; and these two ntries furnished the bulk of requirements for the importing nations. is season both countries are entirely out of the export business; the ited States,which started to become an importer more or less during e last four years, will probably purchase more wheat than ever be- re from Canada.

All this furnishes an extremely sound foundation for the present eel. On the other side of the ledger, but not with such accentuated oditions, is the greatly diminished consumption of importing coun- res; last season the amount of world shipments was practically the west in twenty years. However, it appears as if that will consti- tute the low point, and that this year we shall, at least, see some in- reases in foreign buying, even if only moderate.

The combination of reduced stocks, poor crops and increased popu- ation is bound to increase the volume of foreign purchases from now on. t also seems as if we would not have to wait very long before larger learances from exporting countries will materialize. We look for orld shipments on Monday to be probably the largest so far this season. everal countries, which had been pretty well self-sustaining in 1935, ill be required regardless of monetary difficulties to lay in supplies rom abroad. Italy probably will have to import about 36 million bu of wheat to meet her domestic requirements. Later on, of course, after he turn of the year, Argentina and Australia might become large com- petitors of Canada, but already there are complaints that rain is anted in western Australia, and crop prospects in southern Australia re less favorable, due to insufficient subsoil moisture. Argentina lso needs rain, but her subsoil moisture condition is so good that for he present no alarm need be felt.

Under the circumstances it should be no surprise that England is ecoming more concerned, and Liverpool cables today were again ex- remely strong, their futures advancing 1 3/8 to 1 5/8¢ per bushel. he difference between Liverpool October wheat and Winnipeg October mains close to 14¢ per bushel, which indicates a full shipping dif- ference.

Primary receipts here continue to be light, 512,000 bu compared th 2,094,000 bu last year. Today's receipts also include 77,000 bu wheat shipped from Duluth and therefore are a duplication. Stocks n Kansas City, Duluth and Minneapolis so far this week show a de- ease of 474,000 bu.

At the close the market was virtually unchanged from yesterday, t possibly a trifle higher.

Corn continues to keep strong, largely influenced by the advanc- ng prices in September corn. It seems there isn't sufficient corn re to satisfy shorts to fill their contracts. Primary receipts are ly 312,000 bu, and Chicago received only 39 cars, so there is no ance of any accumulation.

Oats and rye were both strong.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO September 14, 1936

Liverpool cables came higher again today, closing at an advance of
1 1/4¢ per bushel above Saturday.
The strength abroad has continued now for some time and it is a
r indication that Europe is fully aware of the tight wheat situation
h is likely to exist during this crop season. The combination of
ely reduced world supplies from previous crops, together with short
s in Canada, United States, Russia and many of the Continental coun-
s, finally created a situation where the consumer can no longer be
pendent and where it is becoming more difficult to obtain adequate
lies.
World weekly exports were the largest for some time, 11,059,000 bu
ared with 9,398,000 bu last season; that nevertheless foreign mar-
remain strong suggests it will all be wanted. So far since July 1,
e was an excess in clearances of 8,300,000 bu, and no doubt as time
e on requirements will be heavier than in 1935 to cover the needs of
pean and non-European nations, with the smaller crops raised at home.
fact that there were additional reports of dryness in many parts of
Argentine was also a stimulating factor abroad, and it shows the ner-
ness existing at the present time in case anything should happen to
crops in the Southern Hemisphere. Just as present we see no danger
soever, as Argentina had been favored with very heavy rains previous
ast month and subsoil moisture conditions are extremely favorable;
nevertheless the need for their new crop wheat will be so urgent
any setback in the present favorable outlook has an immediate ef-
, and should estimates from present appearances be materially re-
d, it would become a very important factor.
Naturally the strength abroad had an immediate effect on Canadian
ies, as any advance abroad enables Canada to sell on better terms
she still remains the outstanding supplier compared with all other
etitors. She cleared overseas during the week 4,677,000 bu versus
63,000 bu last year. This urgent demand for Canadian wheats at ad-
ed prices will somewhat reduce possibilities of importations into
United States, and from that point of view alone it should also
a very strengthening effect here. But so far we are following only
r reluctantly, and this undoubtedly is due to extreme dullness in the
e and the absence of outside interest, combined with the fact that
largest speculators, who formerly played such an important part in
ing ahead and aticipating events, are no longer operating. Finally,
ourse, it will make no difference in the price level, except when
nces have to depend upon actualities and wait until demand over-
s supply, it is a very slow process. Otherwise, extremely small
stic receipts at primary points of only 478,000 bu against
7,000 bu a year ago would have had an immediate electrifying effect.
At the close our leading future, December, actually declined 1/2¢.
There were some rumors that possibly the Minneapolis strike might
ettled during this week and if this should materialize we believe
ould have an immediate effect on flour and cash wheat sales and
ngthen the existing premiums. It might also be a stimulant to the
tures.
The visible supply showed a small decrease of 32,000 bu; this com-
s with an increase in 1935 of 4,523,000 bu. The difference now in
present stocks and last year's is only 12,226,000 bu. With the
t receipts, we expect continued decreases from now on. We assume
before long our visible supply will be smaller than in same periods
season.
Chicago stocks decreased 113,000 bu. They are still very large at
,732,000 bu and if they remain anywhere like this level, we think we
t see carrying charges from December to May on wheat.
Corn receipts continue to be light- 411,000 bu, but the demand is
very poor; the visible supply decreased 231,000 bu and total stocks
orn at all terminal markets are 3,832,000 bu, which is certainly
small, particularly when one considers that the open interest in
ember corn alone on Saturday was still 5,408,000 bu. It is diffi-
to predict how these open contracts will be liquidated, but we at
t see the possibility there might be an urgent demand on part of
ts to cover their contracts. This would mean also higher prices
December corn in sympathy. Otherwise the weather at the present
is favorable for pastures and while this cereal deserves a high
e, considering the small crop, the shortage may not be felt until
r on.
Oats and rye declined, following the trend of the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO September 15, 1936.

Liverpool was somewhat reactionary this morning after several dys of advancing markets. However this should not have been considere a surprise in view of the fact that quotations abroad yesterday had etablished new high records for December and March wheat for the seasn converting American funds at the present sterling rate.

It was claimed that some liquidation developed with traders anxius to secure profits, but we must bear in mind that even after today' wakness Liverpool December wheat is selling at $1.15 1/4, while Cicago December wheat closed tonight at $1.11 1/2, which is not far fom the largest difference between these two futures so far recorded. Wile this will not enable us to think of any export business from many prts, still we believe that it may have a tendency to facilitate possble export business, particularly if the present parity remains beteen the Pacific Northwest and Europe. In any event it is likely to dminish overland shipments of Pacific coast wheat as freights to Lverpool are so much smaller than to the interior of the United States.

The recent strength abroad has had a bullish effect upon the Wnnipeg market, and even today quotations in Canada were comparativel firm even when we were weak; therefore, importations from our nrthern neighbor should show a decreasing tendency. Finally any sustined strength abroad is bound to have a favorable influence upon our pices, particularly May wheat which is now selling at a discount under oher futures.

Our own attitude remains friendly toward the market and we beleve that the same bullish conditions to which we have referred in pst letters still prevail; but nevertheless today's early market actio ws again considered somewhat disappointing and it seems that markets ave a peculiar way of not wanting to be hurried. This may have come aout due to the restrictions in connection with the new Commodity Echange Act. Many of the big traders are apparently unwilling to mke new commitments, but finally if wheat deserves to sell at higher pices, it will come about just the same except more slowly. With te small receipts everywhere stocks will soon decrease heavily and fnally remove sufficient hedges to be a market factor. In the end, o course, the price level will be determined by the outcome of the cops in the Southern Hemisphere.

A great deal of uncertainty during the growing season will probbly affect prices here from time to time and already reports have ben circulated of inadequate moisture in parts of the Argentine and i various states of the Australian commonwealth. Broomhall claims tat Europe will need a great deal of foreign wheat owing to the poor ad wet condition of the native crop and yields are now confirmed to b small everywhere except in the Danube.

Primary receipts today were exceptionally light, and amounted to oly 276,000 bu, which was about one-fifth of what they were last year, wen they were 1,237,000 bu. So far this week there is a net increase i stocks at Kansas City, Duluth and Minneapolis of 29,000 bu. Probabl te most encouraging feature today to the believers of higher prices ws the great strength at Winnipeg. They ignored almost completely the beak at Liverpool, but each day now their situation seems to be impoving. Deliveries at interior points yesterday totaled only 2,269,00 b compared with 2,968,000 bu a year ago. This is the fourth successiv dy that deliveries on this crop have dropped below last year. Furtermore it was reported that Italy has been a buyer of Manitobas durig the last few sessions in very large quantities. This is important a it has not happened in quite a while. With the shorter crop in Ialy their buying is likely to be much larger than last season; and w believe that Canada has now reached a point where daily pressure wll not amount to more than the new demand. A great many people for tat reason are becoming bullish on Winnipeg futures while they sell at lrge discounts under futures in Chicago.

The great firmness in Canada eventually brought about a rally i our market, and at the close there was a decline of 1/8¢ per bu in te December wheat.

Corn weakened early in sympathy with the leading cereal, but srength in the nearby month, with much colder weather predicted and pssible frost in western Nebraska finally resulted in a higher closing.

Other cereals firmed later in the session without any very imprtant trading features being noted.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
W Y K PRODUCE EXCHANGE
RK COCOA EXCHANGE
COFFEE AND SUGAR EX.
DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 16, 1936.

The news this morning was distinctly favorable to the believer igher wheat prices. Liverpool, which had been weak yesterday, re- d and closed with gains of 2 1/2 to 3¢ per bu. It seems that ide of the Danubian countries, where this year's yield of wheat is ed at about 371 million bu compared with 302 million bu a year ago, pean crops are not particularly large. An official preliminary re- in France places this year's production at only 240 million bu, h compares with 279 million bu last season, and the five-year age of 305 million bu. Then also Broomhall's correspondent in Rome ed this morning that the Italian crop was estimated to be from 60 0 million bu smaller than last year's large crop, and apparently is all having its effect upon prices abroad. Liverpool October t closed at $1.18 1/4, which we believe is about the biggest pre- over us this season. It was reported that Italy had bought close million bu of Canadian wheat Tuesday, and this was not so much of rprise, except that the purchases should be made this early in the on. The Continent also is reported to be buying more liberally, ibly influenced more or less by dry weather in the Argentine. Of se if rains occur there it might temporarily weaken Liverpool, but ur opinion it would not be permanent.

Broomhall now figures the United States will export 20 million f wheat. This presumably includes flour made out of Canadian wheat also includes possible shipments from the Pacific Coast, and there ound to be less pressure from that source at interior points in United States. Since August 1st all exports to Europe are 9 mil- bu more than they were a year ago, and we feel certain that da will do her share of the business, at least until Southern sphere crops have been harvested. The peak of the movement in da has certainly passed and approximately 80 million bu of wheat already left the farm. On basis of a crop of 220 million bu for three western provinces, deducting 60 million bu which is gener- retained for seed, feed, etc., there is only about 80 million bu l to come forward in the remaining 10 1/2 months of the crop season.

From July 1 to September 5 we have imported nearly 10 million bu heat from Canada for consumptive purposes, but with the narrowing ifferences between the Winnipeg market and our own, it is very ly that the volume will shrink to smaller proportions.

Despite the fact that Winnipeg was extremely strong at times, market followed somewhat reluctantly; and we observe that the open rest in Chicago has declined considerably from the high point, ing a lack of speculative interest. As of last night the total t contracts open amounted to only 89,370,000 bu.

Primary receipts today were quite light, amounting to 300,000 bu ared with 1,646,000 bu last year. Shipments exceeded somewhat the ipts. So far this week Kansas City stocks show a slight decrease 6,000 bu, while Duluth has increased 128,000 bu. Wheat receipts southwestern markets, including Kansas City, St. Louis and Omaha, only 159 cars compared to 173 cars which were received at Kansas alone on the corresponding day last year. Country marketings in da yesterday were 2,064,000 bu against 3,156,000 bu a year ago, ing a declining tendency.

Possibly some of today's strength was due to greater war scares have existed up to now. As a matter of interest the odds by ds at London that no European war between major countries would be d during the next six months period have been reduced from 9 to 1 f July 15th to the present relationship of 17 to 3. This was a ht market factor in stocks, bringing about fractional declines, may have added a little impetus to the wheat strength abroad. her the Winnipeg market nor ours was able to maintain the full nce, and profit-taking sales on the bulge found speculative sup- just moderate.

At the close December wheat showed an advance of 1 1/4¢ per bu.

Corn was somewhat higher influenced by the strength in wheat, also because of the small primary movement, amounting to only 000 bu. However the close showed reactions, as did the other als, from the best levels, mainly due to the fact that speculation o light, and this means that markets have to depend more upon al demand for their inspiration.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 17, 1936.

First quotations at Liverpool were comparatively firm following yesterday's great strength; but as their session advanced, rather healthy reactions took place, amounting from 1 1/4 to 1 7/8¢ per bu. There were reports that the Argentine was selling new crop wheat at 1.06 to the Continent. While these naturally were speculative sales, according to Broomhall's gossip, nevertheless, they may have been some indication of the feeling of the trade at Buenos Aires in respect to the price of new crop offerings. Complaints that the weather was mostly dry in the Argentine seemed to have had very little effect, but we pay only moderate attention to speculative sales which are taking place, as it will be several months yet before the outcome of the crop is known with wheat at the present time just a few inches above the ground. Shipments this week from that country are estimated at 919,000 bu compared to 2,555,000 bu last year. The Black sea shipments were more than twice as much as last year, but less than last week, actually putting afloat 2,872,000 bu. There is a little wheat being cleared by India, 216,000 bu this week, and so far this season more than 1 million bu have been exported compared to nothing ayear ago. However it is not felt that clearances will continue for long as the production this year was not above average, and consumption of white flour is increasing annually.

In any event our market early was influenced by the weaker quotations abroad and also the fact that Winnipeg lost a little ground. However, in our opinion, the international statistical position remains very sound. This will not be a year when buyers will have the whip hand, and as long as no selling nation becomes panicky in offering its product, we believe that firm prices will prevail. Despite the fact that economic conditions in Europe are bad, there is bound to be a certain consumption and we figure that somehow or other the deficiency in Italy and in France, as compared with other years, will at least be partially made up through larger imports.

Primary receipts today were 337,000 bu, or much the same as last week, and compare with 1,529,000 bu last year. So far this week stocks at Kansas City and Duluth show a net decrease of 93,000 bu.

There was very little feature to the trade in our market today; reports on hand indicated a slightly better milling demand in the southwest, although locally cash wheat was more or less neglected and most of the sales comprised feed wheat. In view of the indifference of buyers to the red wheat situation, we would not be surprised to see some deliveries here next December; also feel that if any new speculative buying enters the market it will probably come into the May wheat, which at the present time is selling at a discount. Therefore we can see a possibility of the December future eventually going to a discount.

There were fairly good rains again in parts of the Southwest, and Oklahoma was benefited quite substantially. This should certainly help fall work, and finally if more rains materialize we are bound to have a very large a creage in the Southwest with the farmer more than satisfied with present prices.

Regardless of what may happen later on we are faced at the present time with supplies rather closely adjusted to demand. The movement in Canada is much more moderate now; country marketings yesterday were 1,937,000 bu versus 3,131,000 bu last week. This was the lowest since August 17th, indicating that the peak of the movement must be over.

There seems to be no additional pressure momentarily, and with receipts so light all that is necessary, in our opinion, is a little speculative support to occasionally take the market out of its rut. This came about today when after mid-session Winnipeg turned very strong. Our market immediately responded, and it seemed that buyers who had been hesitant on the break acted more quickly with the result that December wheat closed 7/8¢ per bu higher.

We are arriving at a period soon when hedges will be taken out of the market instead of put in, and, therefore, believe with fundamental conditions sound that better prices will be scored.

Corn was reactionary at the start, but the close was slightly higher influenced by the recovery in wheat, and the strength of the nearby month. The open interest in the September contract yesterday was 4,743,000 bu. Stocks in Chicago are only moderate, and receipts keep light, which makes it possible for the near month to maintain itself at a large premium over distant futures.

Other cereals which were weak early recovered late with a better feeling all around.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
W Y K PRODUCE EXCHANGE
NEW ORK COCOA EXCHANGE
YO COFFEE AND SUGAR EX.
COM ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

September 18, 1936

The carried over feeling from yesterday had been very bull-
is in view of reports that Italy was probably negotiating for a
age quantity of Roumanian wheat. The surprising feature has been
t Italy was making purchases so early in the season when native
ps were still quite plentiful, although some people accredited
s to the fact that possibly war fears were responsible for that
ntry keeping well supplied.

Liverpool at one time was extremely strong, although best
rces were not maintained; and at the last the advance was from
/4 to 2 3/8¢ per bushel, October wheat showing the greatest
tength. The reaction was due to cables from Argentina claiming
t heavy rains were falling in the province of Buenos Aires and
t this would promote growth of all cereals. At the same time
ctically all the wheat which had been offered overnight to
eign countries had been accepted and the situation is so in-
ently strong that we doubt very much whether a change in the
ther in the Southern Hemisphere will have more than a temporary
luence.

Canada is doing fine work in disposing of her wheat and the
ual exports from August 1st to September 5th have amounted to
287,000 bushels, while in the same period Argentina has shipped
y 5,291,000 and Australia 7,649,000 bushels. The clearances
m Canada average about 5,548,000 bushels per week, and we would
that the domestic consumption amounts to possibly 2 million
shels a week, so that the stocks now on hand will be quite large-
reduced before many weeks pass. There is of course some wheat
o being shipped to the United States, although the present price
ferential will curtail business of that character.

Practically all the wheat in Canada is cut now and we assume
t few changes in the final yields will occur from this date
ward. The Searle report yesterday suggested a crop for the
irie Provinces of only 212 million bushels; the government fig-
s are slightly higher. Assuming the latter to be correct, and
lowing for 55 million bushels of wheat which is generally need-
on the farms for feed, seed, etc., the total marketings will be
ss than 165 million bushels. Half of this quantity has been
ved in 1 1/2 months. During the remaining 10 1/2 months there
ll be an average daily total of less than 300,000 bushels, in-
cating extremely light pressure. Of course the present marketings
running a great deal heavier and yesterday, for instance, they
ounted to 1,876,000 bushels; therefore, during the winter months
might expect farmers' deliveries to be next to nothing.

Our own situation is also strengthening. At eight South-
stern markets today car lot receipts of wheat were 210 cars, while
year ago Kansas City alone had 231 cars.

Primary receipts today were a little bit larger, amounting
373,000 bushels. This was a little better than last week,
d compares with 2,146,000 bushels for the corresponding day a
ar ago. So far this week stocks at Kansas City, Duluth and
nneapolis show a net decrease of 120,000 bushels. Toward mid-
ssion profit taking sales, both here and at Winnipeg, were in
idence, and the new buying was of insufficient volume to prevent
arp declines from the best figures of the session. It is quite
tural, after several days of advance, that reactions should take
ace, and this is particularly true now in the absence of any
rge speculators, such as the markets have had in years past. Never-
theless, it does not change the picture in the final analysis, and
wheat is worth the money it will finally sell on its merit, al-
though the upward process may be somewhat slower.

Corn, as well as other cereals, benefited early in the ses-
on from the strength of the leading cereal; but later on general
difference brought about reactions. The primary movement of corn
only moderate at 274,000 bushels and shows that there cannot be
ry heavy stocks left on farms, because at this high level for
ptember corn, one would naturally expect the farmer to sell his
pplies before the new crop is available.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
Y YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 19, 1936.

When traders came to their offices this morning they learned a the rains in the Argentine had not been general, and in fact, were sfficient. The condition of the plant in that country is reported rally good, although more moisture would be beneficial. Taking e Southern Hemisphere news as a whole it is about a standoff be- e as an offset to the relief in the Argentine, there are now dry- her complaints in many districts in all states of Australia .

However our market despite comparatively firm cables opened just rately higher. It seems that speculation at the moment is at low o and many of those who sold yesterday to secure profits were ap- ntly unwilling to re-enter the market. Therefore it was a question ne pit during most of the session as to the character of the orders h entered, with the local crowd awaiting new incentives.

Mr. Broomhall is inclined now to raise his estimates of im- rers' requirements by 16 to 24 million bu from his preliminary re; and we have felt right along that with the demand more urgent many sources 512 million bu was somewhat conservative.

There is a fair demand now for cash wheat in the United Kingdom, this had the tendency of steadying future markets, even though ipeg had been so very weak yesterday. At the close their October t was $1.18 3/8, which is still a large premium over us, and we leve that from the Pacific coast, at least there might be a fair nt of export business working were it not for the fact that the ke situation has demoralized shipping to a very great extent. There ifficulty in getting space, and cargoes are not being easily load- hen steamers arrive. This is unfortunate for the exporters in that ritory as they cannot avail themselves of the opportunity to sell wheat with their markets in line. As far as imports into this try from Canada are concerned, we presume they will not be on a extensive scale under the present market relationship.

Minneapolis has lost considerable ground upon Winnipeg. On st 29th, for instance, Winnipeg October wheat was selling at a dis- t of 31 1/2¢ under Minneapolis September, while last night this narrowed to 25 3/4¢ difference. As a result cash markets should up later owing to the better demand for domestic supplies. Re- ts continue light to moderate everywere, and we can see no new sure coming upon the market.

As far as Canada is concerned, her actual exports of wheat and r since the crop year started have been 22,291,604 bu versus ,50,898 last year. United States imports for consumption also are ing about double, and we believe with country marketings reduced e should be no great trouble in securing buyers for the daily rings. Farmers' deliveries yesterday amounted to 2,020,000 bu. the crop so largely marketed and a smaller one than was harvested any years, it should not prove burdensome from this period forward.

Primary receipts today were a little larger and amounted to 000 bu against 1,470,000 bu a year ago. Stocks at Kansas City, th and Minneapolis show a net decrease of 276,000 bu. We expect the visible supply on Monday will do very little, but at least re not adding to our accumulations at the present time, and with improvement in the demand decreases should set in. Everywhere theSouthwest a better inquiry was shown for cash wheat, although hicago it still remains dull. There is some demand for feed wheat also an occasional demand for hard wheat to be shipped East; but he whole red wheat is more or less neglected.

December wheat here showed a slight advance, the close being /4¢ per bu higher, although the best prices in Winnipeg could not be ntained, and that market reacted after an early bulge.

Corn was more or less featureless; weakness at times in the tember delivery brought about a few liquidating sales, but on the le changes for the active futures were unimportant.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHIC O BOARD OF TRADE
W Y K PRODUCE EXCHANGE
NEW RK COCOA EXCHANGE
YO COFFEE AND SUGAR EX.
COM DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 21, 1936.

The Liverpool wheat market led the advance again this morning
pened strong with an active demand for Canadian grain. It was
ated that upwards of 2 million bu had been bought, and it seems
Italy has taken further quantities of Canadian wheat, affording
in demand competition which has not existed for some time. This
ry significant to us as it almost appears as though Europe may have
e alarmed, judging from the way they have taken the initiative.

World shipments were about the same as last week and amounted to
9,000 bu compared to 9,781,000 last year. News from the Southern
phere is rather mixed, althcugh reports now indicate that Friday's
in the Argentine only checked the deterioration and were not con-
ed to be sufficient; therefore, the new wheat will shortly require
er precipitation. In Australia unfavorable dry winds are said to
ing some damage. While it is premature, it is a fact that rains
eeded in practically all districts.

Broomhall shortly after making his preliminary estimate of world
t requirements, sees the necessity of probably raising these. It
that practically everywhere in Europe, outside of the Danubian
ries, crops were poorer than last year.

We have both a foreign and domestic situation to strengthen our
ts. Aside from the fact that the demand is more closely adjusted
rld supplies than in many years, there is also the extra feeding
eat domestically coming during a year when we raised less than
l consumption. From so many territories we now learn that, due
r to lack of corn or its very high price, substitutions are taking
and for that reason it becomes more apparent that the disappear-
of wheat this year might be much more than under normal circum-
es. Of course in places where farmers have neither wheat nor corn,
ls have been shipped to market; but in any event, we feel that be-
another crop is harvested remaining supplies will be quite meager.

There were reports today that rain fell in parts of the Texas
ndle, from one-half inch to two inches over most of the south plains
tory last night. Eastern New Mexico wheat territory also received
rains. Undoubtedly, with the present satisfactory level of prices,
ormous winter wheat acreage shall be sown. To what extent that
e discounted in advance is still problematic, but at least during
any winter months, with decreasing supplies and hedges taken from
arket, together with crop scares, which we have practically every
, we believe it is too early to think that far ahead.

The visible showed a little larger shrinkage for the week than
been expected, amounting to 1,159,000 bu. This compares with an
ease a year ago of 3,199,000 bu. At the present time total stocks
nly 7,868,000 bu larger than they were in 1935, and we believe be-
long the showing will become less favorable. Stocks of wheat at
ago decreased 115,000 bu, but are still large, being 10,617,000 bu.
efore unless the demand for red wheat improves we would not be sur-
ed to see carrying charges develop between December and May wheat.
ry receipts were a little bit better at 533,000 bu, but smaller
omparison with a year ago when they were 2,477,000 bu.

As the session progressed there were reactions, particularly in
athy with the late weakness in corn. However Winnipeg was able to
ain itself very well, apparently a good many hedges being removed
nst foreign sales. At the last our December wheat was 3/4¢ per bu
er than on Saturday. We continue to feel that higher prices will
ail. So many of our fluctuations now come at the opening, but
e acts as if she might be scared of what would develop in the
ern Hemisphere; and as long as high prices exist in foreign markets
bound to have its effect here.

Corn displayed a slightly better undertone early, but was final-
fluenced by the weakness of the near-by month. During the week
go corn stocks decreased, and total supplies here are only 730,000
. This must be regarded as small in view of the open September
est, which is still 3,812,000 bu. However today's receipts were
heavy, amounting to about 160 cars, and it is likely that some of
orn in private elevators will be transferred to public to be avail-
for delivery purposes. Premiums on yellow corn were a little lower,
since the September is ruling at a very high premium over other
s, much will depend now on the character of the evening-up orders
come into the market during this week. The total United States
visible is so small now, at only 3,236,000 bu, that it may take a
time to build up reserve stocks.

Oats and rye at first were influenced by the strength in wheat;
profit-taking sales found support lacking.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHAGO BOARD OF TRADE
EW RK PRODUCE EXCHANGE
NEW ORK COCOA EXCHANGE
W Y K COFFEE AND SUGAR EX.
CO ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 22nd, 1936.

Liverpool showed a rather modest decline, ranging from 3/8 to
/8 per bu, after a bullish demonstration yesterday. It appears that
odrate realizing sales to secure profits took place over there, and
esharp advance in Canadian CIF offers has temporarily checked busi-
es. Europe has finally come to the realization that it will be
ficult for the next four or five months to buy wheat in any quan-
it outside of Canada; and this evidently was the incentive for the
e cash business which took place yesterday. Outside of the
nbian countries there do not seem to be excessive reserves anywhere
urope, and even France now is considering from time to time the
dtion of imports, while in Belgium it will be necessary shortly to
place dwindling supplies, according to advices which we have re-
ied from the other side.

The amount of wheat and flour now on ocean passage amounts to
,00,000 bu. This is an increase over a week ago, and quite a bit
r than last year at this time, emphasizing the improvement in
pean buying since the middle of August.

In spite of all this, our market has been reluctant in taking
gizance of the bullish news. For the past week or ten days,
nipeg futures have been gaining on us rapidly, and it seems that
e is general indifference amongst the large speculative element,
h makes it necessary for the average trader to exercise more pa-
ce before advances take place. In former years whenever we had such
curagement from abroad, our prices here responded quickly, but now
eems with the rather slow cash demand a great many people had been
ting sharper breaks before re-entering the market. In this they
apparently disappointed; and due to the fact that carlot receipts
ywhere have been so extremely light there was no pressure except
which came from profit-taking sales.

Shortly after mid-session Winnipeg became very strong. They have
reached a point where the demand is keeping up fully with supplies
are offered on the market. Canadian marketings amounted to
,12,000 bu, and were evidently easily cared for.

Primary receipts were very moderate today, only amounting to
1000 bu compared with 1,571,000 last year. Stocks so far this week
ansas City and Duluth show a decrease of 5,000 bu.

When our advance took place September wheat was rather draggy,
this we believe can be easily accounted for by the fact that cash
nd from Chicago is very poor right now. Early sales were reported
nly 14,000 bu, most of which comprised feed wheat, and it seems
millers must be getting their supplies locally or else have enough
and, as our stocks here arebeing drawn upon at a very slow rate.
ld this continue we feel that when next December approaches May
t may be selling at a premium over the nearby month instead of at
scount as at present.

The weather recently in the Southwest has been more favorable,
local ra ins continued over the Texas Panhandle and the far South-
. This morning we had reports from many spots of Texas, extending
ew Mexico, claiming that good moisture had fallen. With general
ing slow rains in those territories, as well as the relief else-
e, we expect a large acreage sown to winter wheat; and next year
picture may be entirely different from what it is today.

In the meantime, however, with strength in foreign markets to
ourage us we cannot see why a low price level should prevail. In
with a better milling demand to take hedges out of the market
faster rate, we can easily see how May wheat could enhance in
e. At the last our market showed a gain of 2¢ per bu for the
mber future. We look for further encouragement from Liverpool,
hey seem ready and willing to go up when North American markets
improvement.

Corn was weak early on liquidating sales but improved later.
erratic action of September corn is being closely watched, and
ever the nearby month improves it lends encouragement to the more
ant futures. Primary receipts are not excessive considering the
high price now being paid for cash corn. Today, for instance,
eipts were much the same as a year ago, amounting to 459,000 bu
nst 449,000 bu in 1935. We still feel that May corn around 90¢ is
high in view of the short crop.

Oats and rye were helped by better sentiment in wheat. Trade
not large, but they showed no resistance and higher closing levels
easily attained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
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V YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
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CHICAGO

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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

September 23, 1936.

Wheat cables were again extremely strong today, and while futures t Liverpool did not retain their full advance, the close showed a ain of 1 1/4 to 1 3/8¢ per bu compared with yesterday --probably the highest prices on this year's crop so far.

It is easy to understand the anxiety of importing nations to supply their needs as long as they are so largely dependent upon Canada ing the next three or four months, and since the new crops in the outhern Hemisphere are not yet fully assured. In fact, Argentina eds rains very badly and had only a few showers. Also the outlook n some of the provinces of Australia is quite discouraging, and rains re needed everywhere, although conditions in the biggest state of ew South Wales are still being maintained.

For the present, however, supplies in Canada remain the most important factor. Total exports of breadstuffs in the various countries rom July 1 to September 1 were 102 million bu, of which Canada furnished 54 million bu, or more than all the others together. Total equirements up to that time were 10 million bu more than in 1935, ndicating that Broomhall's estimate for the needs during the twelve onths, if anything, are under-estimated rather than over-estimated. armers' wheat deliveries in Canada since August 1 are 89,200,000 bu s against 61,894,000 bu last year. Considering that the crop is upposed to be 43 million bu smaller than last year, it shows how that ountry is being drained right along. However this does not tell the ull story because the requirements from the United States are larger han last year and heavier than they have ever been before. Last week gain there was duty paid on 715,000 bu of wheat, which makes a total or seven weeks of 7,369,000 bu which the United States has absorbed or domestic purposes.

Of late the tendency has been for Canadian wheat to advance much aster than ours, and we believe that the consequence of this will be better demand for our domestic hard wheats, particularly the kind hich is raised in the Southwest and which can be partly substituted for spring wheat. Therefore it appears to us as if at the moment hicago and Kansas City futures have a better chance of gaining than innipeg, particularly as with the light receipts it seems almost an mpossibility that at any time there should be pressure from heavy ew arrivals either in the Northwest, Southwest or Chicago territory.

The open interest in Chicago is still a trifle over 90 million bu, omewhat less than the maximum, indicating that speculation is still t very low ebb and that all the gains which have been accomplished ere brought about in a natural way, and through removal of hedges isible stocks having decreased of late.

It was reported yesterday that large flour sales were made and s soon as the Minneapolis strike is settled, we expect a much better emand for cash wheat. In the meantime premiums over the futures are aintained for all good grades.

The open interest in September wheat is gradually declining, being ,62,000 bu last night. We expect all trades will be evened-up ithout any sensational changes, and in case September wheat should be ated at a bigger premium than now exists over the December, we think here is plenty of wheat here in public elevators which could be delivered. Of all types of wheat No.2 red wheat, which was proportionately raised in larger quantities than the others, is only in indifferent emand at the present time, and if this continues we believe that ater on December wheat might sell at a good discount under May. It s difficult for us to believe that after close of navigation anybody ould wish to carry No.2 red wheat, when the storage charges alone or five months from December to May would be 7 1/2¢ per bu, and although interest rates are low at the moment, yet interest and insurance charges would also amount to quite a little on the advanced levels.

(OVER)

Toward mid-session it became known that Italy purchased a cargo of white wheat on the Pacific coast. It seems that Japan, England an the United States are all after this Pacific coast wheat, being the only territory in the United States where moderate quantities are available. Under these circumstances we expect a still tighter situation in the eastern and middle states, as they had been partly supplied with both wheat and flour from the far west.

As it is, primary receipts were only 300,000 bu today with shipments exceeding that, amounting to 422,000 bu; last year receipts at terminal points were over four times what they were today, actual figures being 1,355,000 bu.

Traders are rather cautious on account of the new high price levels which have already been made, but it appears that every time there is a moderate decline more bullish news comes out. Broomhall now claims that even the German wheat and rye crops have deteriorated further, and quantities being raised are less than a year ago.

At the close our market showed a decline of 1/4¢ per bu.

There is still much interest displayed in the final outcome of September corn; the open interest yesterday was reduced only 114,000 bu, leaving 3,476,000 bu still to be adjusted before next Saturday, and deliveries the last three days of the month, including whatever changes might have taken place today. Primary receipts of corn remain light, 363,000 bu versus 311,000 bu last year; and there have been no deliveries on September contracts so far. By way of comparison May corn looks very cheap to us --almost 20¢ per bu less than the September corn on a crop very much smaller than the previous one; also we will start a new crop with hardly any reserves left from the past years.

Interest in oats is very limited, but rye was firm and closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 24, 1936

Liverpool wheat futures made further advances today, closing at
highest prices on the crop. How different the world wheat situa-
n is now from the corresponding day last year can best be shown
a comparison of prices. On September 24, 1935, LiverpoolDecember
sed at 92 1/8¢ as against $1.22 7/8 today, or an advance of 30 3/4¢
bu. Chicago wheat on the same date sold at 98 1/4¢ compared with
17 during the session today, or a gain of 18 3/4¢. Consequently,
erpool wheat had gained on us 12¢ a bushel, and instead of being
a discount of about 6¢ per bu now it is at a premium of 6¢.

While this partial adjustment still leaves us out of the export
iness for our regular grades from the chief markets, it will not
vent some export business from the Pacific coast, and possibly
e flour business to various countries which show a preference for
American product. It is reported, for instance, that some clear
ur was sold to Germany from the Southwest, which is probably the
st time Germany has bought any flour in the Southwest for four or
e years. A large business from the Pacific coast at the moment is
y being prevented on account of a possible strike early in
ober; but even if this should materialize strikes will not last
ever, and if market conditions are favorable and prices justify
pments of w heat from there to Europe, some time during this year
oubtedly larger transactions will take place. In any case as long
these prospects are existent it will prevent wheat sales at sac-
ices from the Pacific coast for all rail shipments to the East;
millers therefore in the middle states and the Southwest will
e to look elsewhere for their supplies.

This all becomes more and more important as the demand for wheat
ssed in the Danubian countries is also very urgent, and one of the
sons for the strength abroad today was the fact that none of the
at shipments from the Black sea during the week were destined for
United Kingdom. England still remains the largest consumer by
, with requirements of close to 4 1/2 million bu weekly, and, there-
e, will become more and more dependent upon Canada for the present.

Argentina remains a negligible factor and estimated clearances
s week are only 661,000 bu versus 1,056,000 bu last year. It is
umed that even of this small quantity only very little will reach
ope, as they have to supply Brazil almost entirely.

To those who have been in the grain business for a long time it
sometimes a surprise that with all these bullish factors which
e been gradually accumulating, advances in wheat have not been
rper and more sudden. But speculation is still on a very much re-
ed scale and prices have risen almost entirely not in anticipation
what was expected, but solely on account of demand overtaking
ply, and there seems to be a total absence of pressure at all
ges. These conditions are likely to continue unless later on bumper
ps should be raised in the Southern Hemisphere, but there is noth-
of this kind in sight at the present time and nothing more than
nal crops with a reasonable acreage are looked for just now.
ll later, probably next May or so, prospects for our new crop will
e to be taken into consideration.

There were some showers during the last twenty-four hours over
thern Kansas, Oklahoma, Texas, Missouri, Illinois, Indiana and
o; and seeding of winter wheat is taking place under more favorable
ditions than were expected some time ago. There are still many
ces, particularly in the dry districts of the West, where addition-
moisture is urgently needed, but the desire to plant as much wheat
possible is in existence and conditions permitting we may look
ward to very large acreages in the winter wheat belt. Assuming
t higher prices over all the world will have the same results
oad, the wheat situation might be completely changed again within
ear or two, but this will not fill immediate wants for the scarce
ricle this year.

O V E R)

Our domestic receipts continue to be very light, primary receipts being 385,000 bu as against 1,178,000 bu a year ago; and stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 135,000 bu, indicating that we might have another fair-sized decrease in the visible supply on Monday.

Canadian farmers' deliveries are dropping off very sharply compared with last season, being 1,656,000 bu against 3,903,000 bu respectively, while exports of wheat and flour from North America since August 1 to last Saturday amounted to 39,455,000 bu, including United States' imports, duty paid, versus only 21,288,000 bu last year. There are no signs as yet that this great demand for Canadian wheat will not continue.

At the close of our market December wheat, the leading future, showed a gain of 1 1/2¢ per bu compared with yesterday.

The corn market closed higher, partly in sympathy with wheat but also influenced by the great strength in the September future. Last night there still remained open contracts to be settled of 3,202,000 bu. No deliveries have been made so far this month. Ther are only two days left in which trading can take place in the pit, although deliveries may be made until the end of September.

Oats were a trifle higher, rye showed a good gain, and we stil believe this latter cereal is in a very strong position.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 25, 1936.

We think in all international markets that stocks as well as rains were largely influenced by the critical French monetary situa-tion. French exchange for ninety days sold at about one hundred its discount under the spot price, which is equal to 15 per cent iscount for three months. This is the biggest difference at which rench exchange for future delivery has been sold since the crisis tated and is a clear indication that greater fears exist now than ve before that there will be devaluation of the franc, and possibly he time when this will materialize is not far away.

It seems the English stabilization fund is also working, in equence of which sterling exchange declined considerably. This ad the immedia te effect that while English futures on wheat closed actically unchanged, it figures a decline of 1 to 1 3/8¢ in our urrency.

As far as practical effects are concerned, it is our thorough lief that when a readjustment of the currency in France and other old countries will finally take place, it will have a stimulating fect on world commodity prices and on world trade; and soon after s an accomplished fact it will be very quickly forgotten and will ot depress wheat prices.

Temporarily, however, the French situation was the main in-uence in our market, and little attention was paid to the statis-ical situation. This was more so the case because the kind of a rket we had lately was such that there was no short interest, and en liquidation started on a moderate scale it had an accumulative fect as the session progressed with the result that the final price the December future showed a decline of 1 7/8¢ per bu compared h yesterday.

Primary receipts continue to be light --545,000 bu, which com-es with 1,369,000 bu a year ago. Stocks at Kansas City and Duluth o far this week show a decrease of 342,000 bu. This leads us to be-eve that there will be another decrease in the visible supply, reas the previous season similar period there was an increase of ,83,000 bu, when total stocks amounted to 73,255,000 bu. As a tter of fact the visible supply last year continued to increase for r weeks more until maximum stocks amounted to 78,100,000 bu on ober 26th. This year decreases started sometime ago, and we be-ive will continue until another crop comes on the market. We, there-re, see no pressure in sight from any source as far as the domestic uation is concerned.

As the Canadian country marketings are also decreasing, the uation in Canada will become sounder a s time goes on. Today mers' deliveries were only 1,463,000 bu versus 3,955,000 bu last er. However the Winnipeg market was also lower, especially as the rnight business from abroad was smaller. Argentine shipments this ek are 794,000 bu against 1,056,000 bu a year ago, and Australia ared 2,178,000 bu versus 1,834,000 bu in 1935. We believe that ld shipments next Monday will again show up much better than last er, which would confirm our view that European requirements will e much in excess of what was anticipated.

There were no further rains reported in the Southern Hemisphere, n the outcome of those crops will be watched with much interest and a be influential in shaping prices later on. From the present out-ok, which at best promises only normal crops, their wheat will be ated as fast as it comes on the market; and we may see a repetition f what happened in Canada: namely, European buyers will be waiting o it and will absorb it quickly.

The next stimulant which we look forward to is the settlement f the strike at Minneapolis. This undoubtedly should bring about uch better cash demand which at the present time is only moderate. lso should fears subside about a possible strike on the Pacific coast, eir wheat is fully in line for export both to the Orient and to ope, and a very large business might develop.

Corn was comparatively stronger than wheat, partly influenced y the advance in September corn. The open interest decreased yester-s only 228,000 bu, and still amounts to 2,974,000 bu, which will e to be adjusted by tomorrow a s far as pit operations are concern-d but deliveries may be made for a few days afterwards. It appears s though both longs and shorts are rather stubborn, but the longs e the advantage, as there does not seem to be sufficient corn in ght to fill all contracts and higher prices may have to be paid be-re they will be able to cover their needs.

Oats and rye declined in sympathy with the main cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO September 26, 1936.

For all practical purposes French currency has been devalued. till needs to be confirmed by the Senate, which no doubt will be rhcoming; and it is assumed the reduction in the value of the Franc l be about one-third, which is slightly less than our depreciation bout 40 per cent. The whole matter should not have caused any rise; in fact, it had been expected for about two years, and was idered as inevitable. The delay in taking this step was highly nsive to the French Government because in the meantime France lost eat deal of gold, and the gold reserves of the Bank of France are to the lowest point in over five years. However as the franc had devalued once before to about one-fifth of its original value, it time to educate the French people to go through another depreciao, as bondholders and other citizens with fixed incomes had already cived a very severe blow about ten years ago. Nevertheless final fcts ought to be very beneficial. France had lost her tourist e and a large share of her export business, all of which will be aged now.

As far as the balance of the world is concerned, it is very tructive. We presume that the next consequence will be a similar on the part of both Holland and Switzerland, which will then make ossible to stabilize all currencies. This will prevent a dangers international currency war. After stabilization is accomplished endous quantities of hoarded gold over all Europe will come on emarket and increase gold holdings in the reserve banks. This in tion to largely increased gold production will continue to keep s of interest down and increase bank credits, as more notes can be ed against bank gold holdings.

In the year 1848, when gold was first discovered in large quantes in California, and later in South Africa which then became the est producer, the effect was rising prices in commodities. It is natural when gold becomes too abundant, as it is the yardstick everything else, that it will gradually take more gold to buy the quantity of other articles.

We, therefore, believe that all this will finally result in ging about a rising era for all commodities, real estate, etc. It ld not be forgotten, however, that the time element is very imant, and the effect will be felt only slowly but surely. It need necessarily bring about higher prices for wheat on Monday unless r conditions are favorable, but in the long run the effect of an eased amount of available gold should never be overlooked.

Sterling exchange adjusted itself quickly to changed conditions France, declining very sharply, in consequence of which higher es were paid for wheat at Liverpool, the advance amounting to /8 to 1 3/8d. This would have easily amounted to 1 1/2 to 1 3/4¢ our money, but instead it now figures a decline in American money al to 7/8 to 1 1/2¢ per bu.

As usual coming events are anticipated. The French situation not much of a market factor today. Stocks in New York also recover so there was a firmer feeling at the opening and prices advanced erately. Trade, however, was light.. The close was unchanged for December delivery, compared with yesterday.

Primary receipts continue to be light, 450,000 bu versus 1,501,00 last year; stocks at Kansas City, Duluth and Minneapolis so far this k show a decrease of 575,000 bu, indicating a moderate decrease in visible supply on Monday compared with an increase a year ago.

The most important country, Canada, still presents a very strong tistical position. As of September 24, it is estimated that the unt left in farmers' hands still to be marketed, is 86 million bu, er seed and feed requirements are taken into consideration. The arent balance remaining for export and carryover is estimated at

(OVER)

218 million compared with 350 million same period last year, or 132 million bu less. Inasmuch as the carryover last year in Canada was 128 million bu it is quite evident that exports from now on could not be provided for on the same scale as in 1935/36, but at present the demand is greater than it was then. Consequently there is bound to be a very tight situation before the season is over.

There were still open trades in September wheat last night of 1,387,000 bu, but according to all expectations there will be no defaults, and everything will be cleaned up either through liquidation f contracts or through deliveries. So far, however, with the exception of the beginning of the month, there have been no further deliveries and elevator owners do not seem anxious to part with their contract wheat.

There were wonderful rains overnight in both Kansas and Nebrask, which we believe now assures a tremendous acreage of wheat, and if crop prospects should be very favorable next spring, there will at least be the tendency for millers and consumers to reduce their stock to an absolute minimum; in this way perhaps prevent fancy prices for the old wheat.

The corn situation was not very exciting, receipts were somewhat larger --451,000 bu against 391,000 bu in 1935. Evidently the high price for September and the cash corn is bringing some extra movement, which, however, we do not think will continue.

There was little interest shown in oats, although they closed somewhat higher; and rye suffered a fractional decline.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 28, 1936.

As was expected, Holland and Switzerland are following the ex-
nple of France and devaluing their currency. These three countries
onstituted the gold bloc, and as such were the important factors in
reventing any stabilization arrangement. There are minor countries
ow to be considered: namely, Poland and Italy, but they probably
ll follow suit. What Germany will do is very doubtful. She has
rtually no gold reserves and, therefore, it appears impossible or
nlikely that she could go on a basis which would permit the free
port of this precious metal. Her gold resources might be exhausted
n one week; but this is not of sufficient importance to prevent an
rangement among the various other countries which will be workable
or settling international balances in gold, thereby facilitating ex-
ort and import business. At least this seems to be the view which
s being taken by the banking and larger commercial interests here
nd abroad today, as only in this way may it be explained --that
nere was no excitement whatsoever on either the stock or commodity
changes.

It is true the wheat market showed a sharp decline abroad, fut
Liverpool losing from 2 1/4 to 3 5/8¢ per bu compared with Satu
nis, however, was due mostly to other changed conditions rather th
change values. Argentina, which had needed rains very badly, w
avored with a good deal of moisture and the same was also true in
estern Australia, consequently improving the crop prospects in the
outhern Hemisphere materially. Possibly the news had also spread
broad that our Southwest was favored with extensive rains during
ne last forty-eight hours, and it now may be assumed that the pro-
onged drought in the great wheat belt has definitely been relieved.

We see no obstacles at the moment for the farmers who are so
nclined to sow all the wheat they want. With the high prices exist-
ng at the present time, and with no restrictions on the acreage,
e believe that we shall have one of the largest winter wheat acreages
nat has been planted for many years.

It was quite natural that under these circumstances we should
ave been confronted with more or less liquidation of long wheat,
nich resulted in lower prices. The reason that prices did not de-
line more than they did is due to recognition of the fact that no
atter what prospective supplies will be in the more distant future.
nere will be some tightness for a long period, and that probably
ll the old wheat will be wanted before a new crop comes on the mark

World shipments this week were again large than the correspond
ng week last season, being 9,456,000 bu compared with 8,125,000 bu
n 1935. Theoretically Italy and Germany ought to be very heavy
uyers to cover their needs, but they will probably be prevented from
oing so on account of their disorderly finances. Nevertheless thei
eople have to be fed, and while they cannot purchase all they would
ike, they will need a great deal more than last season.

Primary receipts continue to be light, 77 000 bu compared with
,000,000 bu last year. The visible supply shows a decrease of
35,000 bu versus an increase of 4,088,000 bu in similar week a year
ge. Total stocks are now 76,205,000 bu, or only 2,950,000 bu more
nan last season. We expect that very soon the visible supply will
ake a poor showing against 1935, as then from this time on stocks
ncreased for another three or four weeks, and now ith the light re
eipts we expect continued decreases. We doubt whether this will
top until another crop is harvested; and, therefore, hedges will
radually have to be taken out of the market, and in this way may
stimulant to the price level.

(OVER)

Canadian marketings are dropping off very sharply, and today mounted to only 1,299,000 bu compared with 2,251,000 bu last year. e believe they will drop off very soon to a point where the outgo vill be larger than farmers' new sales; consequently a reduction in stocks is bound to take place.

We see nothing particularly depressing in the situation, altho the big discount at which July wheat is selling will cast a shadow over any too-bullish enthusiasm.

July wheat was traded in officially today for the first time, settled down to around $1.00 per bu. This price would appear quit attractive as a sale in view of the large acreage which will be pl ed, but it is by no means a very safe proposition, and the price i really on debatable ground. As a general rule July wheat is a new crop proposition since the combines have been invented, which mak it possible to bring the wheat to market much sooner than before. Neverthelss there are exceptions to this rule, and sometimes we ther in July, which, however, is unusual, might delay accumul of wheat in July, and with the exhaustion of the old stocks th might remain relatively high.

At the close our December future showed a decline of 1 3/4¢ pe bu compared with Saturday.

We would not be a bit surprised with the sharp decline in Winn today that Europe would become a heavier buyer overnight, as they h to be in the market right along; and if we get any encouragement in way of stronger cables the market might quickly react upwards.

Corn receipts were heavier than of late, being 747,000 bu wher a year ago they were 487,000 bu. This is partly due to heavier arrivals in Chicago to complete September contracts, but yet there wa a fair demand for the new arrivals, and #2 yellow corn soldat 18 to 18 3/4¢ over December, which is a big premium. Considering the wea ness in wheat corn held fairly firm. We see no reason why this sh not continue to be the case with the small crop which was raised t year and which will all be wanted.

Oats and rye declined in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO Sept. 29, 1936.

Foreign exchange matters played no part in the shaping of wheat values today. We think this matter for the present need no longer be osidered as an important factor unless something unforeseen should apen. It probably will take a long time before major currencies il be fully adjusted and before trade balances will be paid with d remittances, but in the meantime there probably will be a tem-ary understanding between the greater nations, preventing wide ctuations. So the worst of the currency devaluation is probably r by this time.

Cables were considerably higher than expected, and futures at ierpool advanced 3/4 to 1 1/8¢ per bu. Broomhall reports that rains r Australia were only light, and that general heavy spring rains are ently needed. He also claims that further precipitation in entina will be necessary before long. We presume the crop outlook the Southern Hemisphere will continue to cause anxiety from time time until the crop is finally made; yet we believe that with mal weather in the Argentine they will at least raise a normal p, and maybe better. It seems to us that whatever wheat they will duce will be needed and will not become a burden.

The Department of Agriculture reported that 38 northern isphere wheat producing countries expect to raise 2,939,000,000 bu wheat this year, which would be about 165 million bu less than last son. It is quite obvious that the Southern Hemisphere cannot make this deficiency; therefore, in any case, world wheat crops this r will be smaller than those of a year ago. This excludes Russia, ch country exported 30 million bu last season, and probably has surplus left now. When it is further taken into consideration t world stocks of wheat had been reduced during the year 1935 over 20 million bu, it is quite evident that there will be another cut in carryover of at least that amount. Consequently there seems very tle doubt about the tight supply and demand situation, which will st before another wheat crop comes on the market.

Fortunately, early as it is, the outlook of the coming crop is remely promising, and from present prospects the winter wheat eage in the United States will be very heavily increased; estimates now being made that at least 15 per cent more w heat will be nted. Assuming that we shall have an average amount of winter ling, there might be left standing next year 48 million acres, which ld produce a crop almost large enough for our home consumption, and ave the whole spring wheat crop as a surplus. The tendency, of rse, will also be to increase the spring wheat acreage. Therefore ther permitting the time for shortages will be over after next July.

Traders had this in mind today and sold July wheat very freely. is easy to understand that every sale of July wheat is a short ; consequently it is a little hazardous, even in spite of the ove-mentioned statements, to sell this future regardless of price, cause adverse weather conditions later on might force shorts to er, and with old wheat supplies down to less than normal propor-ns July contract sellers would have to depend entirely upon the crop movement to fill their engagements, and occasionally crops rather late to count on a sufficient movement for filling July tracts.

At the present our visible supply varies in quantity very little om that of a year ago; in fact in analyzing the situation, it is nd that all the important markets have practically within a few lion bu the same amount of stocks as they had in 1935. At the end the year the visible supply last year had decreased from this time over 50 million bu, and on June 27th was only 21,900,000 bu. imary receipts up to last Saturday were only 8 1/2 million bu

(O V E R)

heavier than last year, and within another week they might be the same as they were a year ago. As our crop this year was practically equ to that of the previous season, the inference would be that the primar movement from now on would be much the same as last season, with th exception that probably wheat feeding to animals will be considerab heavier. Consequently our visible supply at the end of the season might be much smaller than it was in 1935.

If this reasoning is correct, we see no particular reason fo the great weakness in May wheat, and it can only be explained throu the extreme bearishness in July wheat, which traders believe will eventually be reflected in the price of old wheat at the end of the crop year, everybody trying to reduce stocks of wheat and flour to the lowest possible point. Anyhow heavy selling of July wheat toda depressed the May price, and the difference between same and the December widened considerably.

Today's primary receipts were again less than a year ago, being 641,000 bu compared with 1,213,000 bu; the discrepancy would have been even greater had it not excluded in today's arrivals over 100,000 bu of feed wheat which were reported from Canada.

Canadian marketings are becoming lighter right along, yesterday being 1,316,000 bu against 2,446,000 bu a year ago. When it is considered that European requirements will practically be 10 millio bu a week and that there is no country outside of Canada which can furnish a large quantity, it can easily be understood that foreign buyers will take advantage of every decisive break here to make purchases. In fact it will be difficult for them to be too independen and to delay too long to fill their immediate requirements.

At the close of the session December wheat was unchanged and the May 1/2¢ per bu lower.

Trade in corn was unimportant today. There were several car of new corn here, grading #5 yellow and containing over 21 per cent moisture, but yet brought a little premium over the December price. Old corn is still bringing fancy premiums.

Oats and rye were rather neglected, and both closed somewhat lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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NEW RK PRODUCE EXCHANGE
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CO MODITY EXCHANGE INC.

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MEMBERS:
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DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO September 30, 1936.

While it may seem premature to comment on the new winter wheat crp, which has only been partly seeded, yet as we are trading in July hat at the present time, the price of which will depend upon the ucome of that crop to a large extent, it is worth while to at least ie it some thought. This particularly so as we are looking forward to what may be the largest winter wheat acreage ever seeded in the nted States. The 1935-36 crop was raised on an area sown of 71/2 million acres. It is generally assumed this year there will be additional 15 per cent planted, or approximately 7 million acres, ch would give us 54 1/2 million acres. This would compare with ten-year average, 1921-30, of 43,997,000 acres, and the next four ars as follows:

Year	Sown area
1931	43,520,000 acres
1932	40,420,000 "
1933	39,902,000 "
1934	44,530,000 "

sequently, by way of comparison, with such an immense additional reage no matter what yields per acre would be, the final results bound to give us a very much larger crop.

We find the average abandonment for ten years, 1921-30, was out 12.2 per cent. It was considerably larger the following years account of the great drought, which, of course, was exceptional. guring, for argument's sake, an abandonment of 12 1/2 per cent, or 7 million acres, it would still give us yields on 47 1/2 million res. An average yield of 13.4 bu per acre on the seeded acreage uld give us a net result of 730 million bu. How this is easily ssible, can be shown by the following yields on areas sown before andonment in previous normal seasons:

Year	Area Sown	Final Estimate
1927	43,373,000 acres	552,747,000 bu.
1928	47,317,000 "	578,673,000 "
1929	43,340,000 "	577,009,000 "
1930	43,562,000 "	599,593,000 "
1931	43,520,000 "	787,393,000 "
1932	40,420,000 "	462,151,000 "

It is quite simple to figure out what this year's acreage uld produce, with similar weather as in any of the above years, on sown acreage of 54 1/2 million acres.

This may have a sentimental effect on old-crop wheat futures, t need not necessarily depress them for the present if our theory correct tha t world demand and supplies are now very closely adsted. We have in mind the crop year 1897-98 when supplies were rticularly short and when May wheat on May 28th sold at $1.75 per , and July wheat only $1.04, or 71¢ per bu discount. Even on May h in that year when May wheat sold at $1.50 July wheat sold at only .02 1/4. Consequently it may be possible that old-crop futures this ar may finish up very high, and July, if weather conditions are vorable, might sell at a very big discount.

Cables were considerably weaker today, Liverpool futures closing 3/4 to 2 1/4¢ lower. They were influenced by the late weakness both re and at Winnipeg yesterday, together with confirmation of the avy rains in the Argentine on Monday. Furthermore owing to devaluaion in various countries, it is expected that duty in many of them ould be reduced; therefore, the hesitancy in making new engagements t present, which necessarily affects their cash prices.

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Our market was only temporarily influenced by the weakness abroad, as there is absolutely no pressure from any source; and this situation is bound to continue with the falling-off of country marke-ings in Canada. Yesterday they were 1,179,000 bu versus 2,560,000 b last year. Importations of Canadian wheat on which duty has been paid totaled 992,000 bu for the week. However this includes a large amount of feed wheat which cannot be used for human purposes. Up to the present time we have been unable to get figures of the exact amount of Canadian wheat imported into the United States for the purpose of making flour.

Should there be no strike on the Pacific coast tomorrow, prospects are that quite a large business would be done in Pacific coast wheat to Europe. If same should materialize, the amount so exported would be quite an offset against importations which have take place so far.

Primary receipts continue light, today being 401,000 bu against 1,270,000 bu in 1935. Shipments are actually larger than receipts, at 465,600 bu. Stocks at Kansas City and Duluth so far this week show an increase of 52,000 bu, but yet we again anticipate a moderate decrease in the visible supply next week.

The wheat market after showing strength at times closed rathe weak, partly in sympathy with the decline in corn. However the fact that there is very little speculation with a very thin market, it does not take much to depress it, but at the same time it reacts quickly to good news.

With September corn out of the way now cash corn has lost a good deal of its premium, which was about 3 1/2 to 5¢ per bu lower than yesterday. However a premium of 14¢ over the December is still being paid for the old corn; and whether our small stocks can soon b replenished or not will be largely a weather question. In the meantime July corn at about 85 1/2¢ per bu appears attractive to us. Considering the light crop and figuring on a carryover less than las year, we do not see how there will ever be much of an accumulation.

Oats were a trifle lower in sympathy with the other grains, while rye was practically unchanged.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 1, 1936.

It seems almost impossible just now to create any enthusiasm or erest among the trading public in wheat, the major cereal. Several hes during the last few weeks bull news was received overnight; merly our market would have responded quickly, but now while it ves encouragement to those who already own futures, it is difficult obtain new buying orders to stimulate prices. This in spite of fact that most everybody who studies the wheat situation is llish at heart, and as a matter of fact there are practically no orts in the market. Visible supply stocks in the country just now ich are hedged are heavy enough to offset the past buying on part those who had accumulated futures, and it seems difficult to bring out advances and hold them. Of course this would quickly change in the natural course of events stocks would decrease so that dges would have to be removed, in which case futures might only be tained from those who already own them. In this way a tighter tuation might be created later on.

Cables before our session opened were considered as extremely llish, showing a big advance in spite of the fact that our market d declined yesterday after foreign exchanges were closed. The full vance, however, was not maintained, but yet futures at Liverpool osed 7/8 to 1 1/8¢ per bu higher than the day before. This in ite of the fact that Black sea shipments this week amounted to 3 llion bu, which compares with 2,280,000 bu a year ago. However, oomhall calls attention to the fact that most of the wheat is going Continental countries and that England is burdened with very little it. Estimated clearances from Argentina are only 1,102,000 bu rsus 3,123,000 bu in 1935, but this was expected.

There were further rains in Australia, and the crop outlook in the uthern Hemisphere is undoubtedly much improved. However there is ready a very good demand for the new Argentine wheat from Continental rope. As we expressed ourselves before, we believe that with such ttle competition among sellers any new wheat which would come on the rket from Argentina and Australia after the turn of the year will nd ready takers.

There is no great change in the statistical position from former lculations, which clearly indicates that world supplies and demand ll be very closely adjusted. We find that if the wheat acreage the United States should be increased from 10 to 15 per cent that will take from 7 to 10 million bu more old wheat for seeding purposes. We have also made efforts to find out how much of the imorted Canadian wheat is really for human purposes and how much for imal feeding, and have received from a very reliable source the llowing statement: "After checking all figures we had available, uld say 2 1/2 million bu feed wheat has been shipped in by boat ince July 1st to all Lake ports plus another half million all rail om Bay ports. Also there was approximately 3 million bu in store efore July 1st on which duty had not been paid, which since has been ought in. Or in other words, would say approximately six million of the 11,845,000 bu is feed wheat."

The suggested strike at the Pacific coast has been delayed for o weeks in the hope that in the meantime an adjustment might take lace. This will enable grain men to ship a great deal of Pacific oast wheat abroad; and to that extent reduce the amount which otherise would be offered in the shape of wheat and flour to the interior oints of the United States. Therefore the pressure from that source ill also be on a diminished scale. On the other hand, the same as he outside public is apathetic at the present time, so are all conumers, and flour demand on part of bakers and others is very indiferent. Otherwise the very light primary receipts would make quitean mpression; same amounted today to 393,000 bu versus 1,080,000 bu a ear ago; shipments were considerably larger at 583,000 bu. Stocks t Kansas City and Duluth so far this week show a very small decrease--nly 46,000 bu, but we think other points also will show decreases so

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that we may look for a small decrease in the visible supply on Monda, which would compare with an increase similar week in 1935.

Dry weather is urgently needed now for the completion of seedin, and in that respect conditions were quite favorable during the last 24 hours. Opinions are unanimous about the large increase on the probable acreage of winter wheat, but no one ventures to guess the exact amount. In any case the acreage will likely prove to be the largest on record, even larger than during the war years when the Government almost begged farmers to sow as much as they possibly coul. This has rather a tendency for the more venturesome to sell July whet, which was comparatively much weaker than the other futures. Decembe wheat, the leading future, closed 1/4¢ per bu higher.

Canadian marketings still show up very light against the previo season --1,332,000 bu compared with 3,479,000 bu in 1935. It will b only a very short time before the new marketings daily will be smaller than requirements for domestic and export purposes, and therefore cut into their stocks.

Corn receipts are getting lighter now, 240,000 bu compared with 256,000 bu last year, and still bringing good premiums over the December future. A crop report by one of our leading crop experts was given out earlier, but through an error the figure given was 100 million bu larger than was intended. This caused a break in the corn market, which, however, recovered when the error was discovere. The estimate is now 1,499,000,000 bu, much inline with what the trad looks for. It means a very short crop and consequently this cereal deserves to sell at a good price during the season.

Oats were somewhat lower. Rye remains neglected without any material change.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO October 2, 1936.

Even very strong cables received here before our session opened tday had only a temporary effect on our futures, bringing about a mderate advance early. However when later on Liverpool cables showe a decline from the previous quotations and closed 1/8 to 3/8¢ per b lower than yesterday, our market declined immediatiely. But again te actually strong situation exerted itself. There being no pressure, wth no new hedging sales from any source whatsoever, a moderate aount of buying brought about a good recovery.

One naturally looks for a reason for this apathy in face of rther encouraging news because after all the strong tendency of freign markets is quite impressive, and since they have been leaders rght along the natural assumption would be that we would be followig. This in spite of the fact tha t we are still out of line for eport from practically all points with the exception of possibly the Pcific coast. It might possibly be explained on account of the tmporary dullness in the flour demand, which in its turn affects csh markets. At the present time there is a very poor demand for te actual wheat at Chicago, Kansas City and the Northwest. The lttle wheat which is sold out of Chicago is mostly feed wheat, and wile premiums are still being nominally maintained, this is only de to the very light receipts and not on account of an improved demnd for either the soft or hard wheat.

Both the Kansas City and Minneapolis markets undoubtedly are sffering from the continuation of the strike at Minneapolis, and ltest reports are that the outcome of the latest conference was anyting but satisfactory. Further negotiations are under way. As a mtter of fact it is possible that mills might be closed again today. Wile this in the long run will not affect the consumption of flour ce barrel, yet it is quite clear that under the circumstances there wll be no active buying on part of Minneapolis millers and they had ben a very important factor in the Kansas City market.

If these surmises are correct, reverse actions in the market re likely to take place whenever the strike is settled. In the mantime the American markets have been rather laggard in their advnces compared with both Liverpool and Winnipeg. The statistical psition of the latter is improving right along. Actual exports from Agust 1 to September 26, or in eight weeks, amounted to 43,569,000 b. This compares with clearances from Argentina and Australia of oly 18,792,000 bu during the same period. Considering that there re practically no other exporters excepting the countries adjacent the Danube, it will be seen how much the world is relying at the resent time upon Canadian supplies. The wheat from Black sea ports hs so far been entirely used by continental countries, which is robably the cause of the great anxiety on part of the United Kingdom secure their supplies from Cana da.

As expected farmers' marketings are dropping off considerably ow, and for the first time since the movement started they are below he million mark, actual sales being 999,000 bu. Considering that ut of a crop of approximately 220 million bu in the three provinces, 05 million bu ha ve already been sold, and that 45 million bu will e needed at home, there will be only 70 million bu left in farmers' ands which will be spread over the next ten months; and on that asis the daily average would be less than 300,000 bu for every usiness day.

As the session progressed, particularly towards the last hour, he Winnipeg market became extremely strong, to which we no longer ould remain indifferent. Therefore despite only small buying orders firmer tone prevailed at the end, and December wheat, the leading uture, closed at an advance of 7/8¢ per bushel compared with yesteray. Regardless of this, July wheat closed only 1/8¢ per bu higher. e think from now on the old crop futures and the new one have to be ivorced from each other. They are, in our opinion, just like two

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different commodities. If the supply of old wheat should be scarce before the new wheat comes on the market, a comparatively high price might have to be paid for same; if on the contrary the crop outlook is favorable, and with the increased acreage, a crop should be produced so there will be a heavy movement in July, the new receipts would have a very depressing effect on July wheat.

Primary receipts today were 518,000 bu versus 1,094,000 bu last year and shipments again exceeded the receipts, being 527,000 bu Stocks at Kansas City, Duluth and Minneapolis show a total decrease of 162,000 bu , and last year the visible supply had increased by comparison with next Monday, 1,797,000 bu, while this year a decrease is looked for. Should these decreases be equal or exceed those of last year's, we shall finally have a visible supply of 20 million bu before next July, and this of course would create a very tight situation.

Corn receipts are again dropping off and the estimated receipt for this market were only 38 cars. Total primary receipts were 272,00 bu as against 477,000 bu last week and 383,000 bu last year. The average corn estimate by private experts is 1,472,000,000 bu, which is only 14 million bu larger than the September government estimate. With a crop and carryover so much smaller than last year, we hardly see any prospect of ever accumulating any large stocks in this market and think, particularly July corn, appears very attractive at the present price. Should corn not sell any higher in July than it is selling now, it is very doubtful whether there will be any Argentine importations by that time.

Oats and rye sympathized with the other cereals and closed higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
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141 W. JACKSON BLVD.

MEMBERS:
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DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 3, 1936.

Just at the present time Liverpool, the largest importing wheat market in the world,and Canada, the biggest exporter, are leading us. There was a time when all eyes were turned on Chicago for inspirations on wheat tendencies, but this is not the case at present when speculative volume of trading has diminished so much in this center. Total volume of trading yesterday was less than 21 million bu of wheat. The change came about through many Governmental regulations discouraging individuals to trade freely in such quantities as they chose without many reports and compulsory margin calls, which in some cases seemed excessive to prospective traders who wished to anticipate future events and make investments in this major cereal.

If, nevertheless, our market shows a hardening tendency it is quite clear that underlying conditions must be exceptionally sound; and we believe they are. Liverpool futures gained 1 5/8 to 2¢ per bu compared with yesterday. The importing nations are commencing to feel the lack of offerings from other countries outside of Canada; the Southern Hemisphere, of course, has very little old wheat left; France and Russia, which had been exporters last year, need all their raisings at home; and the bulk of the exporting countries on the Danube are supplying the Continent with their needs; leaving very little for the United Kingdom. There were also reports of hot winds in New South Wales causing deterioration to the new wheat in this large province of Australia. However we still believe prospects in the Southern Hemisphere are reasonably satisfactory up to date, but no doubt as the world is depending so much upon supplies from there after January, the least setback will cause apprehension and anxiety.

The strike outlook at Minneapolis is not improving, and there is nothing in sight yet to suggest an early settlement. This, no doubt, has a deterrent effect on part of millers in the largest milling center in this country to lay in supplies; cash wheat in all markets in spite of very small receipts is very draggy; and this would be very discouraging were it not for the other strong factors.

It is safe to assume that about 40 million bu more or less of wheat will be needed monthly to grind into flour for home consumption, and therefore any temporary reduction in the production will have to be made up later on. Receipts are very light at primary markets, and therefore there is no great pressure. Chicago receipts today were only 11 cars; primary receipts for the day were 471,000 bu against 1064,000 bu last year. Shipments were again heavier, and stocks so far this week at Kansas City, Duluth and Minneapolis show a decrease of 270,000 bu. Primary receipts for the whole week were only 3,198,000 bu versus 7,721,000 bu similar week in 1935.

Weather during the last 24 hours was again ideal for seeding purposes, and continued good weather is predicted, so it is fair to assume that a large acreage will be planted. Of course what the final outcome of the next year's crop will be remains uncertain, but at least there are immense possibilities for big yields provided we have normal or better than normal conditions during the growing season.

The leading future in our market, the December, closed 7/8¢ per bu higher than yesterday.

Corn receipts keep light, being only 185,000 bu today against 41,000 bu last week and 223,000 bu a year ago. The market showed a slightly advancing tendency, as did oats and rye.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 5, 1936.

Announcement was made today that the Italian cabinet has approved a plan to devalue the lira by approximately forty per cent. It is expected the French franc finally will be devalued at the maximum permitted according to the new decrees, which would be about thirty-four per çent. Belgium, which devalued her currency recently, but by only about twenty-eight per cent, already questions if greater devaluation takes place in other countries, whether she will not be compelled to foblow suit. Should this be the case it would be the first country which would have devalued its currency for the third time since the war. It is quite generally understood that the gentleman's agreement between the three major nations is only applicable provided domestic conditions will permit the carrying out of the contemplated plans; and, therefore, not all danger of further devaluations, and consequently more inflation, has been removed.

It is still questionable whether France with her domestic troubles, big armament projects, as well as an unbalanced budget, can meet her economic situation. It should not be forgotten that France with less than one-third of the population of our country, has an interest obligation on her government loans larger than ours. This is not because her debt is anywhere near as large, but her credit is poor and she is paying a much higher rate of interest. In fact she has to pay yearly about one billion three hundred million dollars compared with ours of close to one billion dollars, and without balancing of budgets currency stabilization is impossible. This contingency always has to be borne in mind as possibly creating inflation, which would affect the price of all cereals in every country in the world.

England complains a great deal about the outturn of her wheat crop this year which will be 8 million bu less than in 1935. Nevertheless she produces on 1,703,000 acres about 53 million bu, equal to 31 bu per acre. We figure that our winter wheat crop this year yields 13.7 bu per acre and the spring wheat crop 8.4 bu. We are not farmers but merchants, but yet the thought is inescapable why our wheat yields per acre should be so much less than in practically every European country, although Argentina and Russia also produce comparatively very little per acre; however it seems to us that possibly the farmer's situation might be improved by better cultivation, large use of fertilizers which would give better yield returns than they do at the present time.

Liverpool cables were very strong again before our session opened although they did not hold the full advance, final closing prices on their futures being unchanged to 5/8¢ per bu higher than on Saturday. Our market again showed the greatest indifference and it must be assumed that it is due to the extremely light trading and the small interest which is shown by wheat operators. The total volume of trading on Saturday was only 14,113,000 bu and today was another very light one. As long, however, as the fundamentals remain strong, further advances in the future are quite likely.

World shipments were only 10,487,000 bu compared with 9,456,000 bu last week, and 12,009,000 last year. This is hardly sufficient for weekly requirements and again as usual Canada has to furnish the largest share --4,354,000 bu compared with 3,910,000 bu in 1935. With the dropping off in Canadian farmers' marketings the Winnipeg market, which is very strong most of the time, might still gain further on us, although at the present time her May wheat is selling closer to ours than at any period this sdason. For the week ending October 3rd marketings were 7,377,000 bu compared with 17,383,000 bu a year ago, and stocks in all positions constituting the visible supply, 145 million bu against 229 million, or 85 million bu less than the previous season. Saturday's marketings were again very light at 976,000 bu, and, therefore, we can foresee no pressure at any time on this crop year.

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Our primary receipts were somewhat heavier being 778,000 bu, but still show a great falling-off compared with last year when they were 1,726,000 bu. Primary receipts so far this season were about 129 million bu compared with 125 1/2 million bu last year, and with the large amount of feeding to animals which has taken place this year, we hardly expect that receipts from now on will be as large as in 1935 when the visible supply after this period practically decreased 50 million bu.

It is true that importations this year at 12,837,000 bu compared with 7,008,000 bu last year are much heavier, but it should no be overlooked that a fair percentage of this wheat is not for human consumption and is used entirely as a substitute for corn. Furthermore our exports from the Pacific coast will be very much larger and will be a good offset against the importations.

Our visible supply decreased 406,000 bu, which compares with an increase last year of 1,797,000 bu; and the actual stocks now are practically the same as they were last year, figures being 75,799,00 bu versus 75,052,000 bu.

At the close the leading old-crop future, December wheat, declined 1 1/8¢ per bu compared to Saturday.

Light to moderate showers have fallen since Saturday over western Kansas and Nebraska, and copious rains fell over portions of Missouri. We think the weather is highly favorable for completion of the winter wheat seeding.

Corn receipts continue to be light, but it is rather early to expect heavy receipts from the new crop. Total receipts at all primary markets were 332,000 bu. The basis for old corn was about 1/2¢ per bu lower, but it is still bringing very good prices, about 13 1/ premium over December for No. 2 yellow.

Oats and rye declined in sympathy with the other cereals.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
NEW ORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 6, 1936.

We think that economists generally will agree, and past history hs demonstrated not only in this country but all over Europe, that gvernments cannot make markets or create values through laws and aministrative efforts. This is particularly the case as far as wheat i concerned, which is raised the world over, and in the future as in te past supply and demand will make the price. This, however, will nt prevent either favorable or unfavorable temporary fluctuations trough wise or damaging legislation. All the efforts of the Farm ard to put wheat prices higher in spite of afive-hundred million dllar fund and great accommodations, did not achieve this purpose bcause at that time there was an immense over-production.

Just at the present time, despite the fact that it is well-known tat this year the world produced considerably less than its normal cnsumption, it seems difficult to lift wheat prices in spite of geat encouragement which is being given by the importing nations. ey seem anxious to cover their requirements and over one million bshels of wheat were again bought overnight from Canada. Neverthelss the Chicago market remains draggy and we account for it through rious new laws which discourage the buyer of futures. The farmer i so used to marketing a large percentage of his crop during the irst three months after it has been raised that no matter how short te yields might be and no matter how large the consumption, there i always an early surplus created which must be taken care of by omebody; and it cannot be absorbed except gradually during the next ne months.

With the high income tax on speculative profits a great many ich men find little inducement to take many chances marketwise. th protection taken away by prohibiting dealing in privileges, a rader who formerly had a chance to limit his losses is obliged to educe his operations to a very small minimim. Another class of eople either have not the means or the inclination to furnish the igh margins which are now required and they prefer to stay out of the arket or deal at Winnipeg or abroad where this high margin rule is not perative. Naturally this absence of buyers temporarily keeps prices own, but finally if wheat is worth more money, in the long run it ill sell for exactly the same price as if speculators would have had n opportunity to anticipate results and make purchases ahead, herefore absorbing part of the surplus which must be carried. If is is true, it will require more patience on part of those who hold uture contracts in wheat, but on the assumption that supplies and emand are very closely adjusted, we still believe we shall see higher rices later on.

We believe this optimism is justified when we consider that ctober wheat today at Liverpool sold at the season's high, and that o such price had existed since April 1930, but at that time Chicago ecember wheat sold at $1.23 and Winnipeg at $1.21.

The crops in the Southern Hemisphere seem to be getting along icely, although prospective yields are likely to be neither extraorinarily heavy nor deficient, indicating about normal results. There re minor complaints received from both Australia and Argentine; some urther showers were reported in Cordoba, which undoubtedly is favorble; but on the other hand frost was reported in the Province of uenos Aires and some damage is being done by sandstorms. These omplaints, however, occur yearly with regularity, and as long as here is no great damage from drought, it is reasonable to assume that he usual amount of wheat will be exported from the Southern Hemispher fter January.

Weather everywhere in this country is ideal, with light to enerous rains again in Nebraska, Kansas, Missouri, Illinois and ndiana. Estimates on a largely increased acreage of winter wheat re coming from everywhere, preventing much enthusiasm in the July uture. The total open interest in same at the present time is only

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3 million bu, which is extremely small.

Primary receipts of wheat continue to be light 347,000 bu compared with 1,112,000 bu last year. Stocks at Kansas City, Duluth ar Minneapolis so far this week show a net decrease of only 30,000 bu. The milling demand remains very poor, and as long as more distant futures are selling at a discount under the nearby one there will b no temptation on part of millers to lay in large stocks and they probably will continue to buy from hand to mouth. Of course the cr this year was so small that finally all the available wheat might b wanted, but until the visible stocks decrease considerably so that e load of the hedging sales will become lighter, it might be a slow process to lift values. Farmers' marketings in Canada continue to show steady decreases almost from day to day; yesterday they were the lightest so far on this crop, being only 887,000 bu versus 3,219-000 bu a year ago.

At the close of our session December wheat was 1/2¢ per bu higher than yesterday.

Corn receipts continue to be very light, but it is rather earl to expect much of a movement from the new harvest. Total receipts at Primary markets today were 242,000 bu compared with 222,000 last year. Trading was extremely light, with fluctuations very limited.

Oats and rye were stronger partly in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO October 7, 1936.

Liverpool wheat cables were extremely weak today, and declines ccurred after a succession of advancing prices for a number of days.

The chief influence was beneficial rainfall in both Argentina d Australia, which, of course, will improve crop prospects in the uthern Hemisphere materially. As a matter of fact, the outlook had t been bad before, and with this additional moisture it is safer to lculate that the Southern Hemisphere might have above normal crops. previous official reports are anywhere near correct, this will not cessarily mean surpluses as large as we had in some seasons, as the reages are supposed to be considerably less than the maximum which d been seeded in earlier years. Nevertheless the importing nations y now figure with reasonable safety that their worst troubles will over after January, and they will receive much larger quantities om both Argentina and Australia than last season. This, however, es not indicate in any way that they will be entirely independent, d the maximum amounts which may be cleared from these countries ll not be nearly sufficient for their requirements, and Canada will ill have to be drawn on very largely for their needs.

So far from August 1st to October 5th, Europe has taken 10 llion bu more wheat and ex-Europe 2 million bu more, including the ited States, than last season; and with poorer crops abroad this ndition in all likelihood will not only continue, but if anything, e excess requirements will be on a larger scale. In the meantime, nada will be able to rid herself of the burdensome stocks, and we ubt whether on the 1st of January she will have much more wheat ft for export sales than she had last year at the end of the season, gust 1st. Farmers' marketings are getting lighter as time goes n, and yesterday amounted to only 893,000 bu compared with 3,325,000 bu 1935.

Looking still further ahead, the additional rainfall in our nter wheat belt must not be ignored. It is now reported that more infall than in any other September, excepting the year 1900, has llen in Kansas, records having been kept for fifty years; and the isture for that month was 1.98 inches above normal. This is more ecipitation than in the three previous summer months combined. is is all the more important on the assumption that the acreage will exceedingly large. Figuring that on a total seeded acreage of 2 million acres winter wheat, and some think it might be even more an that, there would be 45 million acres standing, after an average ount of winter killing. Further assuming that the spring wheat reage will be 20 million acres, we would have a total acreage of 5 million acres. This would compare with acreages in the years 930-35 as follows:

YEAR	ACREAGE
1930	61,140,000 acres
1931	57,103,000
1932	57,204,000
1933	47,910,000
1934	42,249,000
1935	49,826,000

f course we are fully aware that there is still a deficiency of oisture for the year, but we believe it is not necessary for all this o be made up, provided timely rains occur at the right periods. This inally ought to be very bearish on our July wheat unless unfavorable eather should spoil the outlook later on; but when looking into the uture one can only figure on the normal.

These conditions naturally cast their shadows over the immediate future, but there is a limit to how far sentiment can influence he price level, provided we should have a close adjustment between upply and demand on the old supplies.

(O V E R)

At the present time the milling business is extremely poor, and flour sales declined materially last week. Mills in the Northwst booked an average of only 29 per cent of capacity, and the Southwes also encountered a sharp contraction in sales, same amounting to ony 39 per cent of capacity. While temporarily this appears very discouraging, we know that this country needs a certain amount of flou during every twelve months, and if business is slow at one time it will be made up at a later period. This, however might be one of t reasons why our market has been so indifferent during the past ten days while foreign news has been encouraging. But with primary receipts still so light and no accumulations taking place it is not impossible, when the flour business picks up again, that we shall s a different trend in prices.

Primary receipts today were only 349,000 bu and shipments were quite heavy --790,000 bu. Last yea r receipts were 1,082,000 bu with shipments 589,000 bu. Stocks at Kansas City, Duluth and Minneapolis so far this week show a small decrease of 62,000 bu.

At the close of our market the December future showed a decline of 1 1/4¢ per bu compared with yesterday.

Corn gave a very good account of itself considering the wea-ness in wheat. Receipts are so very light that there is absolutely no pressure, primaries amounting to 188,000 bu versus 309,000 bu last week. The well-known fact that the crop this year is a very p r one prevents any extended short selling.

Oats and rye declined in sympathy with the major cereal.

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CHICAGO MERCHANTILE EX.

CHICAGO October 8, 1936.

Liverpool wheat cables were very strong again today, their futures advancing 1 7/8 to 2 1/8¢ per bu, with sterling exchange unchanged.

At the same time it was reported that heavy sales of Canadian wheat had been made overnight to Europe, confirming our previously formed opinion that the importing nations have to be in the market right along to cover their needs, and should they stay out for one reason or another for a day or so, they would have to buy just that much more the period following. This is particularly so as the Black sea shipments, which had been feared at one time as being a threat to an advancing market, do not seem to be at all burdensome now, and are easily taken care of. As a matter of fact, this week the Danubian clearances were smaller than last year, 2,056,000 bu compared with [illegible],52,000 for the same period last season. This includes 88,000 bu shipped from Russia, and as far as we know this is the first export business from Russia on this crop, while last year that country sold and shipped over 30 million bu. We think that this small lot is only accidental and does not forecast any heavy business from Russia, crops not justifying any export sales, and their harvest has been so poor that probably every bushel raised will be needed at home.

To show the number of countries which are dependent upon Canada this year, it is interesting to note the principal buyer overnight was Norway, and further sales were made to the Continent, so that the United Kingdom had been able to obtain only small quantities. This, of course, makes her very apprehensive about supplies, and her strength today, therefore, is quite natural, particularly so as the United States continues to take Canadian wheat in large quantities. This week duty was paid on 1,284,000 bu. Since August 1st, the beginning of the new crop year in Canada, duty has been paid on 9,645,000 bu, and if the same percentage keeps up during the year, we might figure on importations of 50 million bu. However a large part is shipped in the form of feed wheat, and while the quantity will have to be deducted from the Canadian wheat supplies, as far as this country is concerned, it should be added to our corn stocks, as it cannot be used for human consumption.

Broomhall still estimates that there might be exports from the United States this year of about 20 million bu. This we presume would largely have to come from the Pacific Coast, and would not make the net imports available for flour very burdensome. So far exports of wheat and flour from July 1st to September 1st, or for two months, were 2,926,000 bu, which is rather insignificant; yet, if the proportion continues at this rate Broomhall's estimate might be somewhere near correct.

During the early part of the session there were many rumors that the outlook for a strike settlement at Minneapolis mills was much more favorable, and about mid-day an actual settlement was reported. This ought to be extremely constructive, as we are convinced the flour business had not been pushed very extensively of late on account of the disturbing conditions. If normalcy should prevail now it is quite likely that the Minneapolis mills will become active buyers of cash wheat, particularly in the Southwest, which will stimulate all trade channels.

Premiums in Kansas City, the largest market in the Southwest, have been more or less depressed recently because of this lack of demand from the Northwest. The Minneapolis future market responded immediately and advanced more sharply than any other.

Primary receipts continue to be light, although somewhat heavier than last week, being 468,000 bu compared with 393,000 bu respectively, but yet considerably smaller than a year ago when they were 936,000 bu. So far this week stocks at Kansas City, Duluth and Minneapolis show an increase of 52,000 bu, but with the new impetus which will be given now by the milling trade on account of the strike settlement the picture might change completely. In fact it was partially anticipated today with the December future advancing 1 1/8¢ per bu.

Corn also was higher, and receipts here are very small, only [illegible]1,000 bu at all primary points; therefore no pressure whatsoever from any source. The old corn is still bringing about 13¢ premium over the December future, the few cars of new corn which are being received are not grading, and #4 yellow corn in spite of that is selling at about 3 1/2¢ over the December future, but of course it contains a great deal of moisture.

Oats and rye benefited from the strength in wheat and closed higher. Trade in same continues to be very light.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO October 9, 1936.

Liverpool market continues to show great strength futures there again advanced 3/4 to 1 1/8 per bu. There were various reasons today for the firmer tone and better feeling abroad. Stocks of old wheat in the Argentine are now very low, and clearances for the week declined to the insignificant amount of 463,000 bu compared to 1,874,000 last year. Brazil alone could probably absorb this quantity and more. The second official Argentine estimate of the area planted to wheat this year was also very constructive. The increase in acreage was smaller than expected, and it is now estimated at 17,358,000 acres. This is considerably less than the maximum which had been planted previously. An average crop of about 12 1/2 bushels per acre would give a yield of 216 million bu on this area. Roughly, 95 million bu are required for needs at home, which would leave 121 million bu for export. As a general rule, only about 70 per cent of the crop moves during the first six months, and the remaining 30 per cent is distributed over the balance of the year. Possibly the percentage might be more in favor of an early movement this year on account of the high prices; but, even so, it is not likely that the average weekly clearances will exceed much more than 3 million bu, and this would be only a very moderate contribution for the requirements of the importing world. By that time Canadian stocks will be reduced very largely, and Australia will be the only other large exporter. The outlook for the Australian crop, which, therefore, becomes very important, is not any too favorable and continued rains are needed to bring about the best results. Old stocks in Australia are also reduced very much, and shipments this week are only 791,000 bu compared to 1,816,000 bu during the same period in the previous year. It is quite evident, under these circumstances, that world shipments next Monday will show only very moderate quantities, probably less than the weekly requirements. Therefore it is safe to assume that the strength abroad will continue, as there are no accumulations in sight to bring about any pressure.

Considering that on October 3rd the Canadian visible supply of wheat had declined to 148 million bu compared to 240 million bu last year, or a decrease of 93 million bu, and that farmers' holdings are very much smaller than last year, it is quite evident that Canada is becoming more and more independent, all of which is reflected in her advancing market. It seems quite remarkable how she continues to export wheat to the United States, as her wheat is getting very expensive, and prices are high after duty has been paid, compared to United States wheat of either soft or hard variety. It would be difficult today to buy Canadian No.1 northern wheat and ship it to Buffalo, for home consumption, for less than $1.55 to $1.58. Kansas City wheat, which is also very high protein this year, could be sold for 20 to 25¢ a bushel less. Under these circumstances, it looks to us as though both Chicago and Kansas City wheat are comparatively cheap, particularly the May wheats which can be purchased at a discount. We do not feel the same about July wheat, as there are still possibilities that from an era of scarcity we might enter into an era of great plentifulness.

The Modern Miller confirms our often expressed view that the winter wheat acreages are expected to establish a new record. It is true there is apprehension regarding the lack of subsoil moisture in the spring wheat territory, but it is too early to be really alarmed about that. Moisture conditions are very good everywhere else, and with an average crop, and an attractive price, the movement next July might be on an extraordinary large scale.

(O V ER)

The settlement of the strike at Minneapolis has not yet brought about any very active cash demand for wheat, but we feel sure it is bound to come. In the meantime receipts are so light that all arrivals are easily taken care of at unchanged premiums. Primary receipts today were only 465,000 bu versus 887,000 bu a year ago; and stocks at Kansas City, Duluth and Minneapolis so far this week show a net increase of 15,000 bu. Canadian marketings are becoming lighter, being only 779,000 bu against 2,964,000 bu last year; they are the smallest now since August 9th.

At the close our December future gained 7/8¢ per bu compared with yesterday.

The wet weather is rather unfavorable for bringing corn to maturity, as it keeps it in a rather moist condition. Receipts, therefore, continue to be light, and old corn is still bringing a very big premium, #2 yellow corn selling at 13 to 13 3/4¢ premium. We think it will be a long time before there will be accumulations, and the distant futures show considerable strength.

Oats and rye sympathised with wheat.

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DAILY MARKET LETTER

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CHICAGO Oct. 10, 1936.

Liverpool futures today showed another sharp advance, gaining 2 1/8 to 2 1/2¢ per bu. This foreign strength is particularly impressive, as it is not caused by speculative buying, but is largely derived from the continued tightening of the cash situation. A great scarcity of spot and nearby wheat supplies is developing, and all exporting countries are raising their prices. The importing world had figured with great confidence that this situation would be relieved when the Southern Hemisphere moves its wheat, but at the present time it does not appear as if bumper crops would be raised, and while there will be no crop failures such as occurred last year in the Argentine, we believe the final outcome will be just about normal and quite moderate.

The September rainfall in Australia was the lightest in fourteen years, and crops are being seriously injured. Broomhall now claims there might be a total surplus of 200 million bu between Australia and the Argentine; should this prove to be the case there will be continued demand for the Canadian wheat, although on a somewhat smaller scale after the turn of the year than at the present time.

Under these circumstances it was a foregone conclusion that our market would open higher, and great strength was maintained during all the session. The closing price for December wheat, the leading future, showed an advance of 1 1/4¢ per bu over yesterday.

The domestic situation is also very encouraging. Yesterday's government report confirmed what was known right along --that this year's crop would be a short one, the combined figures for winter and spring wheat being 627 million bu, which is considerably below our normal requirements for consumption. Considering that much more than the usual amount is likely to be fed to animals it seems that we not only have to rely on importations, but also that our previous small carryover will be reduced again to what seems now to less than normal proportions. The amount given as remaining in farmers' hands of 227 million also makes a very poor comparison with other years. The figure in 1935 was 268 million bu, and the average for 1928-32 was 408 million bu. Under these circumstances it is quite evident that for the balance of the season farmers' sales will be very small, and gradually our visible supply will have to be largely reduced and hedges will have to be removed.

We also understand that according to the government statement farmers' reserves in Kansas, the state which raised the most, are only about 20 million bu, and considering that the crop was estimated to be close to 127 million bu the percentage left unsold is extraordinarily small.

Primary receipts were again very light, only 331,000 bu against 41,000 bu a week ago; no comparison can be made with last year when there was a holiday. Shipments were actually larger at 442,000 bu. Nevertheless we expect only a slight decrease in the visible supply on Monday. So far this week stocks at Kansas City, Duluth and Minneapolis decreased only 30,000 bu, The milling demand is still rather poor, but this, of course, is likely to change at any time, but there seems to be a tendency on part of consumers to go rather slow in view of the probability that with the largely increased acreages it is not well to carry heavy stocks into the next crop.

The corn market did not follow the lead of wheat. The government report was construed as being rather bearish, as the crop is turning out better than had been expected, although in our opinion a crop of 1,509,000,000 bu is a very small one and justifies high prices eventually. However the greatest surprise came in the estimate of corn left in farmers' hands, being 173 million bu which compares with 60 million a year ago, and an average of about 154 million bu during the years 1928-32. The trade in general did not expect there would be so much corn left, as one would have imagined that the high prices which would have been realized during September would have brought it out. Receipts continue to be very light. The weather is against an early, free movement. Therefore we expect no pressure and think there might be a recovery particularly with wheat showing such a strong tendency.

Oats and rye followed only reluctantly the major cereal, but closed somewhat higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO October 13, 1936.

There were headlines in financial papers this morning carrying news that our country, Britain and France had entered into a gold accord which was described as a new "gold standard"; but there was also a feature that it could be terminated upon twenty-four hours' notice. Therefore it was not regarded as particularly important, and both sterling and the French franc were quoted at about the same price level as on last Saturday.

The important feature over the week-end and holiday was the strengt abroad. Final figures at Liverpool today showed advances of 1 3/8 to 1 5/8¢ per bushel. At one time yesterday Liverpool had sold at the ighest point in many years. We understand that millers abroad are bidding more actively due to the fact that prospects in Australia are none too good and some damage to the grain will result from the frost in NewSouth Wales. Europe apparently is showing more dependency upon Canada, and the old crop position remains very strong. As we more carefully analyze our own stocks of wheat remaining on farms, as given in the recent government report, we find that the shortage is more in the hard winter wheat states than in the soft winter wheat states. For instance, Kansas, Oklahoma and Texas have only a total of 34 million bu of wheat remaining on farms, while the four states: Michigan, Illinois, Indiana and Ohio have about 50 million bu of wheat left. This, to us, is significant as we continue to believe that finally great comparative strength will be witnessed at Kansas City against Chicago. There was noticeable today a slight weakening of Chicago December wheat in relation to May, and open contracts in the nearby month are still quite large, amounting to nearly 51 million bu. Stocks of wheat at Chicago show but moderate decreases and the demand from this market, at the present time, is rather poor, except for feed wheat. The one item which of course may finally denote a change of conditions is the large acreage sown to winter wheat, and with moisture conditions everywhere quite satisfactory, there is reason to expect further possible widening between old and new crop months. July wheat at around the dollar mark might seem pretty high next spring if a fairly good crop prospect is maintained on the large sown area. In the meantime, of course, we are more under the influence of present developments, and with strength abroad, early advances in our market took place. There seems to be a definite lack of speculative interest due to the combination of high margins, capital gain tax and the abolition of privileges which restrict some of our larger traders. Therefore, most of the bulges lately have been difficult to maintain except as they came about through influence of the strength in Winnipeg and removal of hedges.

The visible supply showed a larger decrease for the week than had been expected, amounting to 1,766,000 bu. Primary receipts for two days were a little bit better than of late, being 1,086,000 bu compared with 844,000 bu for a single day last year. Canadian marketings continue to show a falling-off, and for last Saturday were down o 768,000 bu versus 1,685,000 bu for the same period in 1935.

Net price changes for the day were not great and at the last ecember wheat showed a 7/8¢ per bu decline. This was a poor response s Winnipeg was firm during the entire session. However we believe hat market changes sometimes come quickly, and with no pressure anyhere we do not feel bearish on anything except July wheat.

The corn trade was rather unimportant, and there was very little ew interest indicated by today's activity.

Likewise rye and oats were somewhat neglected, but no great weakess in either of these cereals. Farm stocks of oats on October 1st ere 682 million bu, which compares with last year's stocks of 972 illion bu, and the average for five years of 941 million bu. In ther words with feeds of all kinds none too abundant a fairly good rice level is warranted.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO October 14, 1936.

There was further encouragement from abroad today, and despite th fact that North American markets had been reactionary yesterday, an although prices at Buenos Aires receded quite sharply, Europe agin showed signs of strength, with closing values 3/4 to 7/8¢ per bu iher than yesterday. This brings their December wheat to the level of $1.25, with October wheat still higher, and is indicative of a chnged condition from what we experienced last year and during the rceding years of accumulation.

It must be considered now that the world wheat supplies, outside f Russia and China, during the present season are likely to be about [illegible] million bu smaller than they were in the crop-year of 1935-36. hs represents a sharp reduction from the very large supply of re- cet times, although it must not be forgotten that the supply this er is still about 370 million bu larger than the five-year average, ut before the tremendous accumulations took place. The figures t quoted are those from a report of the Bureau of Agricultural cnomics.

In any event population has been increasing the world over; ager storage space has been built in so many countries that we can dually take care of more wheat than in previous times. It seems that ope is watching the Southern Hemisphere crops very closely, and our elines yesterday were almost entirely ignored, due to the fact that tralia 's new crop estimates are being further reduced now. Broom- el has lowered his idea of the crop from an earlier estimate of 145 ilion bu to 115 million bu, and this loss has all occurred within a cth. As long as weather in Australia continues mostly dry, we be- ive that some apprehension will be felt abroad, and in the mea ntime ada should have no difficulty in continuing a program of healthy ortation.

Our market for several weeks has shown a miserable response to tength abroad, and higher prices in Canada; even this morning with best levels recorded in Liverpool in many years, there was some reuctancy on part of speculators to take hold.

It seems that the cash demand is still very indifferent, and day's sales from Chicago comprised almost entirely feed wheat, wing that millers are working more or less on a hand to mouth basis. is our opinion, however, that with some export business from the aific coast to further reduce the small supplies which were raised this country, finally more confidence will be felt and a gradual rovement in prices could easily stimulate flour business, which in n would mean further removal of hedges from our domestic markets.

Primary receipts today were fairly liberal, and amounted to [illegible],000 bu compared with 1,024,000 bu last year. However, shipments e also quite large, and amounted to 670,000 bu. So far this week cks at Kansas City, Duluth and Minneapolis showed a decrease of [illegible],000 bu. Country marketings in Canada are running at a very moderate e, only 822,000 bu, and we believe that during the winter months y will dwindle to the very smallest proportions.

As long as there is no pressure it appears to us as if the line least resistance were on the long side.

Toward mid-session Winnipeg became very strong, advancing about [illegible] per bu from the previous close, and our market could not resist sympathetic advance to that type of demonstration. However best els of the day were not quite maintained owing to insufficient culative absorption, and due to the fact that a fair amount of fit taking set in. December wheat, which is still the important ding month, showed an advance of 1 3/8¢ per bu.

Corn was only benefited by rising wheat prices to the extent that was able to hold its own, but advances were not recorded. Primary eipts are running a little heavier than last year, but offset by pments of equal proportions.

Oats were more or less neglected, and showed hardly any price nges, while rye was fractionally higher, but only a small trade took ace in the pit.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO October 15, 1936.

The important news this morning was a cable which had been received by Broomhall fromAustralia stating tha t the official weather bureau reports showed definite prospects of rain in all states within the next 48 hours; and private cables claimed rains were falling in the eastern states, which was the cause of the early weakness in the Liverpool market, despite strength both here and at Winnipeg yesterday. The close abroad, however, was mixed, October wheat showing the greatest strength and advancing about 7/8¢ per bu, while the March wheat was 1/8¢ per bu lower.

Much attention is being paid to news from the Southern Hemisphere, particularly as frost damage recently sustained and the drouth in Australia has probably reduced the exportable surplus from an earlier estimate of about 90 million bu to as little as 65 million bu unless, of course, moisture conditions correct the September deficiency. It now means that importers abroad will be more dependent than ever upon the Argentine and upon Canada. As a result, there were times during the session when Winnipeg sold at prices about as high as yesterday, although some discouragement was in evidence because of the reactionary feeling here in Chicago. It seems that the moment bullish news is in any way interrupted profit taking sets in; this is not very surprising in view of the fact that the acreage being sown to winter wheat is simply enormous, and appa rently the plant in the Southwest is greening, which makes a great many people in the trade feel that by next spring the situation would appear somewhat different. July wheat at one dollar might finally look extremely high, and then, of course, neither the elevators nor the millers would wish to carry more wheat beyond the May delivery than might be wanted during the month of June else a hazard would develop of almost sure loss in competition with new wheat. We still believe, however, that the adjustment between supply and demand this year is close enough to warrant a larger premium for old-crop months over new. We feel that during the winter large inroads will be made on stocks as the visible supply week after week continues to decrease.

Argentine shipments were estimated slightly better this week at 1,212,000 bu, or almost the same as last year, but compare with only 463,000 bu last week. The Black sea shipped 2,024,000 bu,although Russia furnished nothing. However India came in the column as an exporter and furnished 424,000 bu.

There is still talk that the French government is considering the advisability of imports of Manitoba wheat against exports of wheat flour, although farmers are opposed to this scheme. Europe seems to struggle along more or less from hand to mouth, and exclusive of Russia the estimate of thirty European countries is for crops this year showing a loss of about 87 million bu from those grown last year. The unfavorable weather during harvest, outside of the Danubian countries, brought this about, and will, in our opinion, require larger imports than those of the previous season. Since August 1st total wheat shipments to Europe are about 10 million bu larger than they were in 1935, although ex-European countries have only taken one million bu more, and with the high price we understand that the Orient will aim to get along with smaller quantities of Australian wheat. We expect that shipments from the Danube will keep up at a fairly good rate this year, as their crop exceeded last year's by about 70 million bu. However not much is likely to come from Russia except a few straggling lots possibly due more to political reasons than to any surplus which they own.

Primary receipts today were fair and amounted to 493,000 bu versus 992,000 a year ago. So far this week stocks at Kansas City, Duluth and Minneapolis show a net decrease of 410,000 bu. Wheat imports into this country from Canada from July 1st to October 3rd amounted to 15,893,000 bu against last season's imports of 7,730,000 bu. We do not think this ratio will be maintained because of the narrowing of Canadian futures with ours, although a great many millers are still using high-grade Canadian wheat because of our poor spring wheat crop.

Our market closed lower in sympathy with weakness at Winnipeg and a rather bearish feeling in July wheat, the December delivery showing a loss for the day of 7/8¢ per bu.

Corn also showed an easier undertone, apparently feeling the need of new trading incentives or a better wheat market before further gains are likely. Likewise oats and rye were lower and more or less neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
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COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 16, 1936.

There was further weakness at Liverpool this morning occasioned ains in the Argentine, which are reported as very beneficial and ling in provinces there that cover roughly about half of the wheat re. The forecast yesterday was for moisture in Australia, but up he present time it continues mostly dry except for a few showers outhern portions, although there still is hope that general rains l visit that country over the week-end. In any event we are in a od now where the weather will be very carefully watched. From ent prospects it is not likely that the Southern Hemisphere will a wheat surplus this year to exceed 200 million bu, which is only t 45 million bu more than for the current season.

Inasmuch as greater reductions have taken place in Canada, we inue to view the situation as sound. At the present time Canadian t stocks are about 146 million bu, outside of what is in transit eld by farmers, and this shows a reduction of 103 million bu from lies which existed a year ago. In addition to this farm reserves much smaller. In other important locations we find few changes a year ago. In other words, the visible in this country is about llion bu smaller, while United Kingdom stocks are about 1 million greater, Argentine stocks smaller to the extent of about 6 million and on passage stocks 3 million bu more now than they were in 1935. se figures we believe are interesting because they show that the l supplies in five important places are smaller only to the ex- that Canadian stocks have been reduced below those of last year.

Shipments for the week from the Southern Hemisphere were slight- better than last week: 1,558,000 bu coming from Argentina, and ,26,000 bu having been shipped by Australia, including 340,000 bu n the latter country destined to non-European ports.

Reports which continue to come from the winter wheat territory satisfactory, and in the Southwest apparently everybody is talking t the big acreage that is now being seeded, and the wheat which already up looks very beautiful. The moisture conditions certain- are more favorable than at any time during the last three or four rs. While, of course, we admit that the subsoil conditions have yet been materially relieved, the start, at least, is satisfactory, next year should present a different picture. We do not like to k too far ahead because much can happen between now and the next vest, and since this is only the middle of October it will be at st eight months until we can look for present stocks to be replen- sed.

No matter in what direction we gaze we find pressure extremely ht; today for instance country marketings in Canada were only ,000 bu. Should they keep up at this rate there will be periods ing the winter months when practically nothing will be moved, and feel that with just fair crops in Europe this year the demand will pretty well sustained. In addition to our own strong domestic uation there is also a healthy world's situation, greatly improved r recent years through the reduction of huge surpluses.

Primary receipts today were quite large, amounting to 679,000 bu pared with 743,000 bu last year, but we think this may be accounted through shifting of stocks. We note, for instance, that Duluth far this week has increased 403,000 bu, apparently drawing some plies from other points. The three markets, consisting of Kansas y, Duluth and Minneapolis, show a net decrease so far this week of ,000 bu. There are heavy carlot receipts in Minneapolis today, t market recording 237 cars; apparently the settlement of the ike has improved milling business, which in turn affected buying on t of merchants and millers. We are also advised that premiums in Southwest have strengthened, and we believe that with a normal con- ion at Minneapolis again the cash demand will gradually improve.

Despite the reports of rain in the Argentine and the possibility moisture in Australia, we believe that the market gave a very good count of itself, and shows that the inherent situation is better. al price for the December delivery was 1/2¢ per bu higher.

Corn was somewhat lower, the nearby future showing the largest line. The basis was also a little easier; we continue to regard ly corn as cheap, particularly when one can buy that far ahead at a discount instead of paying a carrying charge.

Other cereals were benefited but slightly when wheat recovered from the low figure of the day.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO October 17, 1936.

Liverpool was quite firm early in sympathy with the North American
mrkets, but it seems that upon advices of a few show ers in Australia
quidation set in, and at the close of the session prices showed de-
ines ranging from 5/8 to 1 1/8¢ per bu. There were indications of
frther Australian rains over the weekend, and we presume for that rea-
n profit taking was to be expected. Even at the declines Liverpool
ctober wheat is selling at $1.26, and May wheat, which just recently
came traded in, can be had for $1.15. We regard the latter as cheap
operty because even in the event that the United States will have
rge crops next year, the old-crop position should command big pre-
ums.

There has been a new importer recently: namely, France, and that
untry is buying wheat moderately, and will likely continue for some
me in order to cover homerequirements. It is even claimed by one
thority that the shortage has compelled some port mills to shut
wn. This being the case, it is quite natural that importers should
ok toward Canada for their requirements.

The more w e look at the Canadian situation the more impressed
w become with their inherent soundness. Their total crop and carry-
er this year amounted to 361 million bu, and deducting total home
nsumption of only 105 million bu as compared with 118 million bu a
ar ago there remains a surplus of 256 million bu. If we then de-
ct actual exports from August 1st to October 9th we find there is
ly a balance remaining for export and carryover of 201 million bu
ainst 335 million bu the previous year. In this calculation a smaller
me consumption was used because of the fact that last year a good
al of feed wheat was included in the disappearance. If we study the
cture from another angle and use the same dates, we find that
tal Canadian stocks, exclusive of the amounts in transit either this
ar or last, amount to 224 million bu versus 367 million bu last year;
a shrinkage of 143 million bu. At the present time farm reserves
Canada are reduced to 62 million bu, or about 36 million bu less
an they were for the corresponding day of 1935. Consequently pres-
re from new arrivals is bound to be small.

The visible supply on Monday is apt to show a pretty fair de-
ease again, and this means that gradually hedges are being taken
t of the market. A year ago we ha d our first seasonal decrease in
e visible supply, which amounted to 793,000 bu, but inasmuch as the
rinkage this year came earlier we feel that by next spring total
ocks will be down to very small proportions. Primary receipts made
better showing with those of a year ago, amounting to 603,000 bu
day versus 671,000 bu at that time. So far this week stocks at
nsas City, Duluth and Minneapolis show a net decrease of 475,000 bu.

We had a most inactive session today, most of the changes in
ice occurring at the opening. It seems that whenever encouragement
foreign markets is lacking there is no speculative enthusiasm here;
d this is apt to continue until other incentives come to the fore-
ound. However with no new pressure from anywhere we do not anticipat
at any sharp setbacks are likely.

There is a little wheat moving toward Buffalo, and at the present
me boats are loading here for shipment to the East. Domestic hard
eat of high protein is selling at a tremendous discount under
nadian wheat in Buffalo, possibly as much as 25 to 30¢ per bu, but
rprisingly enough we are still importing certain varieties for which
lls find a demand; and due to the fact that our own spring wheat was
poor quality and a small crop some Canadian wheat is still being
sed despite the comparatively high price occasioned by the 42¢ per
import duty.

At the close of the market December wheat showed a decline of
/2¢ per bu, but if there is any firmness abroad on Monday this could
ickly change again.

Corn was rather indifferent; some discouragement is noted be-
ause of Argentine imports, but this year's crop is small enough to
revent large accumulations at any time.

More or less the same situation exists in oats because of the
ortage of feeds. There is not much speculative interest, however, at
e moment.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO October 19, 1936.

Many important wheat areas in Australia were still without rains, and since the forecast on Saturday gave hope that relief might occur over the weekend, there was early strength in the Liverpool market, with investment buyers reinstating their lines.

World shipments this week amounted to 9,538,000 bu compared with 10,705,000 bu last year. Clearances from North America were a little disappointing, showing a decrease of about 1 1/2 million bu from last week; but, of course, this does not include Canadian grain shipped to the United States.

Best prices abroad were not maintained, as rains had fallen in Argentina, and some business was reported in new-crop whe at sales having been made to Italy. When the Liverpool session closed and prices were a shade higher on some futures and lower on others there was a fair amount of liquidation and new buyers could not readily be found.

The trade has been reduced to very small proportions, and on Saturday, for instance, the total trade was only 8,782,000 bu of wheat. When it is considered that in good times one large commission house might have had that much business, one can naturally understand how easily the market is affected by the character of orders in either direction. The surprising feature today was the fact that Winnipeg led in the decline, but it may have been that that market had been overbought speculatively; and from what we gather there is not too large a volume up their either. Total country marketings from August 1st to October 15th were 114,300,000 bu, which would mean that allowing that some wheat never leaves the farm there is still an apparent balance to maket until August 1st of next year of 59,200,000 bu. That would mean that in the remaining 41 weeks of the Canadian crop season the average country deliveries would be 1,400,000 bu per week; since at the present time that much wheat leaves the farms every two days, we must naturally come to the conclusion that either the crop had been under-estimated in Canada, or else marketings now will a ll be at the expense of extremely light deliveries later in the season. We know, of course, that weather during harvest was admirable for gathering the crop, and, consequently, little if any of the wheat was snowed under as occurs in other years when the stormy weather comes early.

Since July 1st, which is our fiscal grain year, the wheat imported from Canada for consumptive purposes has been 16,723,000 bu compared with 7,755,000 bu a year ago. Even though Canadian futures have turned upon us recently a certain amount of imported wheat continues to come here due to the fact tha t millers are desirous of getting the extremely high quality spring wheat. For the week ending Oct. 19 we took 830,000 bu from Canada against only 25,000 bu last season.

Primary receipts today were quite large, and amounted to 1,76,000 bu versus 1,301,000 bu a year ago; shipments also were quite heavy. The Southwest is getting fairly good carlot receipts now, and this is probably due to the mild weather and prospect of large areas being seeded. The visible supply showed a decrease of 1,131,000 bu, and total stocks now a re 72,902,000 bu which is 3,506,000 bu less than last year. Chicago stocks showed a shrinkage of 415,000 bu, and the local is slightly under 10 million bu now. There was evidence of a reduction in Chicago as several steamers were loaded last week for Buffalo apparently some hard wheat being taken down there by milling interests. Minneapolis carlots were quite large --353 cars; and since the settlement of the strike we understand that additional business up there has been stimulated with millers stretching out a little bit more aggressively for supplies. Country marketings in Canada on Saturday were 729,000 bu compared with 1,919,000 bu corresponding day of 1935. While this is a falling-off it is still quite large considering the amount presumably left.

As stated earlier, there was no great feature to the market today except a fair amount of persistent liquidation, some recovery occurring after the selling orders stopped; however, no great encouragement nor new incentives for making now additional commitments.

Corn was rather weak and there was selling in the pit at one time which was thought to have been hedges against Argentine importations. Trade here is extremely light also, and on Saturday only 322,000 bu changed hands in the pit. In oats and rye the story is worse, because the trade on Saturday for the two cereals combined was less than 2 million bu.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO October 20, 1936.

Liverpool quotations broke rather sharply this morning on more rassuring reports from Australia where temperatures were not unduly hgh, although many localities still claimed the need of rain. The otlook in the Argentine is satisfactory, further light to good rains hving helped in many sections of that country. It was reported that sippers at Buenos Aires had sold one million bu of new wheat to Italy fr shipment after the turn of the year, the price being approximately $.11 per bu CIF. This apparently had a somewhat depressing effect uon prices abroad, although at the close there was a substantial recvery with final figures only 3/8 to 3/4¢ per bu lower than at the pevious close.

It must be remembered that unfavorable weather during harvest priod was widespread throughout Europe except in the Danubian counties; in France, as a result of excessive moisture during ripening ad harvesting, the quality of the grain was poor not only because of lght weight, but also on account of keeping quality. The same is true i other continental countries. As a result demand for foreign wheat sould keep up during the entire season; and it is expected that Italy, Fance and Germany will be fair buyers during the winter months. While a great deal of grain will be required of Southern Hemisphere counties, we think that Canada will probably come in for her proportionate sare, as there is the need for grain of high quality such as was ised.

Looking at our domestic situation, we see nothing to indicate pessure at any time. Primary receipts at the moment are running somehat heavier than of late, which is probably due to the fine progress f the winter wheat seeding generally. We are told that early seeded rain is coming to a good stand, and with occasional rains the early ppearance is very satisfactory.

On the basis of the last Government estimate, which placed the heat crop at 630 million bu, we cannot help but reduce our carryover nless stocks are augmented through heavy importations. The Bureau of gricultural Economics forecasts domestic utilization for this year t about 660 million bu. In this figure they include the amount needd for flour and commercial feed, which is 490 million bu; also added o that 85 million bu for seed and another 85 million bu for farm eed. On the assumption that there would be no imports whatsoever, e would cut into last year's carryover to the extent of 30 million bu.

We cannot make a statement tha t extravagant in view of the fact hat imports from Canada for consumptive purposes ha ve reached nearly he 17 million bu mark. On the other hand, some export business is ow being done at the Pacific coast, and we are not inclined to anticpate as many purchases from Canada as earlier due to the fact that he price relationship has changed. We feel, however, that the Bureau's stimate of 660 million bu is too small.

It is claimed in many sections that the acreage will be inreased as much as 20 per cent, and that alone would require an additional amount of wheat for seed. Also due to the poor corn crop here were many sections in the Southwest where feeding had been quite xtensive. Therefore it would appear to us as though the final adustment between supplies and demand would be rather close, particulary as compared with recent years. The amount of elevator capacity in he country is much more than formerly, also our population has grown, nd it seems quite plausible that we can take care of larger quanities so that if our carryover would be reduced to 130 million bu at he end of this crop year, it would warrant, in our opinion, a rather igh level of prices.

Primary receipts today were more moderate at 593,000 bu compared ith 738,000 bu last year. Shipments were heavy, and amounted to 84,000 bu. The milling demand is rather quiet at the moment; and so ar this week stocks at Kansas City, Duluth and Minneapolis show a net ncrease of 25,000 bu.

There was no feature at all to our market today, although a few iquidating orders came into the pit probably due to the weaker tone t Winnipeg and the general speculative indifference. At the last ecember wheat showed a decline of only 1/8¢ per bu.

Corn received a little more support but made no particular heanday, while the other cereals were more or less neglected.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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CHICAGO MERCHANTILE EX.

CHICAGO October 21, 1936.

The Liverpool wheat market opened lower this morning, and was undoubtedly influenced by weakness in the Argentine, also lower markets in North America yesterday, but the close was quite strong due to the firming of cash markets and a private cable from the Argentine reporting frost in a few sections. As far as we can learn the crop condition there appears satisfactory up to now. Indications do not point to a bumper crop, but on the whole fair yields are anticipated in view of recent rains. Broomhall, in commenting on frost which occurred in the southern part of Buenos Aires province, says that the wheat is not far enough advanced to be seriously affected by this cold spell, and that it would, of course, be serious if frost had extended into the central zone where the grain is flowering. We presume that it will take a few days yet before one can ascertain with certainty whether real damage may have occurred.

Generally speaking, the demand abroad is still slow. Only a moderate export business was reported overnight from Canada, and while Great Britain took two cargoes of Canadian wheat on Monday, only a few parcels had been worked yesterday. Each day, of course, brings importers closer to Southern Hemisphere offerings, and, therefore, it seems that the business is being handled on a hand-to-mouth basis. The acreage sown in the Argentine this year is now officially placed at 17,351,000 acres, and while a little larger than last year is well below average and the smallest area sown since 1931.

In our own domestic situation we cannot see great pressure anywhere. Primary receipts of wheat today were fairly heavy, and amounted to 734,000 bu, while a year ago they were 980,000 bu. We look forward to a very small primary movement during the winter months. Our conclusion is based on the fact that ordinarily about 35 to 38 per cent of the crop moves to primary markets. The latter is almost an extreme figure of what may be expected. Taking as a basis the last government report, indicating this year's wheat crop at 627 million bu, total primary receipts for the year should not exceed 238 million bu. Up to last Saturday, 135 million bu had already arrived, leaving 103 million bu at the extreme in about 210 business days, or at the rate of 490,000 bu per day. This we realize will naturally compel us to draw rather heavily upon our terminal stocks, and we do not anticipate that these figures will be surpassed, except through very heavy importations or possibly unusual shipments from one point to another.

Broomhall reported today that the imports of Canadian wheat on which duty was paid totaled 1,107,000 bu for the week of October 17th compared with 830,000 bu the previous week. As we have mentioned in our letters previously, Canadian grain is of such high quality that a certain amount is required by our domestic mills, even though the price at the moment is extremely high, adding the 42¢ per bushel import duty.

Further rains and snows have taken place in the Southwest, where moisture conditions already are much better than they have been for several years. Should the outlook later on be exceedingly favorable, we anticipate a certain degree of pressure upon July wheat, as the new crop at around the $1.00 mark might finally prove to be very high. Sentiment in this direction already indicates a disposition to anticipate large discounts for next year's crop as compared with prevailing levels.

So far this week stocks at Kansas City, Duluth and Minneapolis show a net decrease of 394,000 bu. Country marketings at Canada were 6[illegible]0,000 bu versus 1,996,000 bu last year.

Our market gave a rather disappointing account of itself, and the early strength in sympathy with Liverpool was quickly dissipated when Winnipeg became weak. Feeling, however, as we do that fundamentals are sound, it would not be surprising to see trade stimulated again during the next month when crop scares from either Argentina or Australia are almost certain to be heard. Furthermore there is a long period before we shall have another harvest, when great inroads will be made upon present supplies.

At the close December wheat showed an advance of 1/8¢ per bu.

Corn ranged slightly higher in price, partially due to wet weather, but also recognition of merit because of the small crop and light stocks at terminals. We still believe that July corn at large discounts under other months will with patience reward owners.

Other cereals are still pretty much neglected at the present time

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO October 22, 1936.

The moderate recovery which had occurred at Liverpool yesterday
due to reports of frosts in parts of Argentina, but cables over-
ht claimed that these had been light and did not damage the crops.
weather forecast was for clear weather today, and this following
ent rains indicates that the average crop conditions are now good,
de from northeast Cordoba where the drought had been more prevalent
possibly one or two localities where minor frost damage had oc-
red. Broomhall now claims that commercial estimates forecast a
eat crop in that country ranging from 190 million bu to 220 million
, based on present conditions. With this the case demand abroad
ttened out almost completely and closing prices at Liverpool showed
sses ranging from 1 5/8 to 2 7/8¢ per bu, the sharpest decline
ing in the October delivery. This caused moderate liquidation both
re and in Canada, despite the fact that prices abroad had advanced
h more rapidly during the past few weeks than we had.

The Danubian countries still having a large surplus for export
ipped rather heavily this week, clearing 2,952,000 bu. There was
so some wheat put afloat by India amounting to 808,000 bu, although
thing came from Russia, and we doubt whether that country will be a
ctor as an exporter during the remainder of the season. Estimated
Agentine shipments are quite heavy at 1,837,000 bu, which would be
a trifle larger than those of last year.

Under the circumstances it was not easy to induce much specula-
ve enthusiasm, although many of the fundamentals surrounding the
rket remain unchanged. We are approaching the season of the year
en North American stocks should start decreasing. This has been
ing on for several weeks in our country, with visible supplies
rinking, and the same is now starting in Cana da, with total stocks,
clusive of those held by farmers and in transit, reduced to 146
llion bu, which is about a million bu less for the week and is 111
llion bu smaller than stocks for the corresponding period of 1935.
is, of course, is exclusive of the amount held on farms, which also
ows a substantial reduction from last year. The world wheat
sible, including United States, Canada, United Kingdom, Argentina,
d on passage, totaled 262 million bu, also recording a reduction
113 million bu from supplies of a year ago.

It must be quite apparent tha t there can be no severe pressure
ywhere, particularly as Europe produced poorly, except that future
ents cast their shadows in advance, and as a result there is being
ticipated possible pressure from the Argentine, which of course will
a factor after the turn of the year. Since August 1st world ship-
nts to Europe are about 8 million bu larger than the previous season,
d to ex-European countries an increase of about 2 million bu, althoug
e latter includes shipments to the United States, which would in-
cate that the Orient is getting along with a lesser amount of wheat.

Primary receipts today were somewhat smaller at 463,000 bu while
st year they were 640,000 bu. So far this week stocks at Kansas City,
luth and Minneapolis show a total decrease of 542,000 bu.

Canadian country marketings were only 506,000 bu, showing a mark-
dropping-off; this is the lowest figure since August 6th. A year
o they were 1,815,000 bu.

After mid-session the weakness abroad was entirely forgotten and
me strength came to this market by way of backspreading, purchases
ing made in Chicago and sales at Winnipeg. When the stock market
rned weak war fears became a factor and finally brought about
llies of quite a substantial nature from the low points of the day.
the last December wheat showed an advance of 3/8¢ per bu.

Trade in corn was dull, and yet this cereal derived most of its
trength from wheat, with the result that a little more headway was
de on the bull side. The same also refers to other grains, which
re led to a higher closing with a little more optimistic feeling
ll around. Should there be a recovery now abroad it would undoubtedl
ind our markets fairly well liquidated, and, therefore, responsive
o any new buying.

UHLMANN GRAIN CO.

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CHICAGO MERCHANTILE EX.

CHICAGO October 23, 1936.

There was further discouragement from abroad this morning, with closing quotations at Liverpool registering losses of 1/4 to 1 1/4¢ per bu. The sharpest declines occurred in the distant months, and this was undoubtedly due to more satisfactory reports of both Australian and Argentine crops. It seems that even the moderate amount of moisture in Australia last week has improved the outlook for new wheat considerably. It is still too early to forecast with accuracy probable estimates of the outturn, and there are still some fears being expressed that certain dry sections were unrelieved. The crop is by no means made, and, therefore, markets will be sensitive to further developments. As far as the Argentine crop is concerned, rains have checked deterioration in the Sante Fe province, and generally speaking good appearance to the wheat plant is being maintained, except in a few scattered areas where no recovery from the drought is noted. Summing up the condition for the two countries, we should say that the surplus will not be burdensome as compared with other years, but in view of the relatively high price level there is some pressure on part of farmers to obtain the present market.

Broomhall reports, for instance, that wheat at Buenos Aires is declining and has lost about 6¢ per bu since October 10th. When we look at prices abroad and compare Liverpool values, as of today, with those which existed on July 30th we find that there has been an advance over there of nearly 18¢ per bu. During the s ame period Winnipeg December wheat has risen about 9¢ per bu, while Chicago December wheat has only advanced approximately 3 1/2¢. On that basis there is no reason to feel real concern about temporary reactions at Liverpool, such as have taken place during the last few sessions.

On Monday we expect rather fair world shipments, as Australia has furnished this week slightly in excess of 1 million bu, while Argentine shipments were just under the 2 million bu mark. This in conjunction with heavy clearances from the Danube is a little more encouraging to Europe than anything which has happened for the past few weeks.

At the moment there do not seem to be many buying incentives. Possibly this is due to the fact that the milling demand domestically remains very poor. The business which was done during July and August was of great volume and it seems that bakers and consumers have not yet exhausted those supplies, or at least where new purchases are being made they are only from hand to mouth. It will be a long time before another harvest is with us, and consequently there is every reason to believe that accumulated stocks will soon be drawn upon.

Weather conditions in the main have been favorable for seeding of winter wheat, although the work is not entirely completed. Outside of a few areas in Nebraska and portions of western Kansas there are few complaints. In any event the wheat has probably gone into the ground under more favorable auspices than in several years.

Canada reported lack of export buying overnight and this was responsible for the reactionary tendency in Winnipeg. Nevertheless total wheat and flour shipments from August 1st to October 16th have been over 59 million bu, and at the present time it is estimated that the balance remaining for export and carryover is smaller than last year's figures to the extent of 135 million bu. Even in the United States where the crop was below domestic requirements we are doing some export business from the Pacific coast. Shipments this week of both wheat and flour total 260,660 bu, and since July 1st there have been 2,633,000 bu cleared.

Primary receipts today were 587,000 bu compared with 1,102,000 bu last year. So far this week stocks at Kansas City, Duluth and Minneapolis show a total decrease of 668,000 bu. Canadian marketings at country points amounted to 549,000 bu, showing a further reduction; a year ago corresponding day they were 1,805,000 bu. We look forward to a moderate decrease in the visible supply on Monday, while in 1935 same day there was an increase of 1,692,000 bu; and the total stocks reached their maximum at that time of 78,100,000 bu. Considering the great weakness at Winnipeg and abroad, our market acted satisfactorily this we think is due in large part to lack of pressure and a fair amount of confidence that real low prices will not be established this year.

At the close December wheat showed a fractional decline amounting to 3/8¢ per bu.

Corn was barely steady, but there is nothing in the situation to worry holders. After all the crop was much shorter than last year; in fact one of the smallest in recent times. Under the circumstances we do not look for any heavy accumulations at any time on this crop.

DAILY MARKET LETTER

MEMBERS:
CHIC O BOARD OF TRADE
W YO PRODUCE EXCHANGE
W RK COCOA EXCHANGE
YO COFFEE AND SUGAR EX.
COM DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 24, 1936.

English buyers seem indifferent at the moment due to the fact prospects in Australia and in the Argentine have become more rable; and it seems that Europe has anticipated future needs er liberally through Canadian purchases recently, which Broomhall ks may take care of November and December requirements in large ure. New-crop wheat will probably start flowing from Australia time in December, and following close on its heels will be ship s from Argentina, all of which is tempering bullish enthusiasm ad. Closing prices this morning in Liverpool showed losses rang from 3/4 to 1 1/8¢ per bu.

The unfavorable political situation will probably check declines time to time, but as long as new Plate wheat is now offered at t $1.08 3/4 CIF it may prevent sharp bulges from occurring in pean markets.

There is nothing of particular interest taking place at the nt to affect the domestic price level. Our government issued a rt late yesterday estimating stocks of wheat in country mills and ators as of October 1st at 117 million bu. This is about 14 mil bu larger than similar stocks for the previous calendar year, yet is not significant in our opinion, as the amount left on farms only 227 million bu, making a poor comparison with other years. figure in 1935 was 268 million bu, and the average for 1928-32 was million bu; so under the circumstances, it is quite evident that the balance of this season farmers' sales will be very small. We still to hear the figure on the amount of wheat held by the large ercial mills; and then the picture will be complete.

The milling demand still remains poor, and sales from Chicago y were the smallest in some time, amounting to only 4,000 bu, e more than that quantity was booked from the country to arrive. ss this changes, it is our opinion that December wheat will grad y lose ground on the May. Anyone taking delivery after close of gation would be faced with storage charges and other costs which he minimum would amount to 7 1/2¢ per bu for five months. If we correct in our thought that May wheat will finally go to a pre , we would look for considerable increase in cash business later, probably greater confidence on part of buyers.

Primary receipts today were 518,000 bu, exceeded by shipments of 000 bu. Last year receipts were 671,000 bu. So far this week ks at Kansas City, Duluth and Minneapolis show a total decrease 56,000 bu. Considering that business is so quiet stocks every e are being reduced at a fairly rapid rate.

There was no feature whatsoever to our market. Ignoring the ness abroad, and even the indifference at Winnipeg, a few local lers found the market bare of offerings and bid prices fractionally er. At the close December wheat showed an advance of 3/8¢ per bu.

Corn was firm, probably borrowing some inspiration from the ing cereal; but here also we find very little pressure to sell er on part of speculators already long, or by the country. In the trade is light in all pits. Yesterday, exclusive of wheat, trade orn, oats, rye, and barley combined was less than 4 million bu. ore markets can get out of the present rut we presume new incentives be needed.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CH GO BOARD OF TRADE
W RK PRODUCE EXCHANGE
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CO ODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 26, 1936

World wheat exports were larger this week, as had been expected,
d amounted to 11,306,000 bu compared with 9,538,000 bu last week, or
o the same as they were last year. The increases were all along
e line, and North America furnished slightly over 4 million bu. The
nt of wheat on passage decreased slightly from the previous week
is not a great deal more than the wheat afloat for the correspond-
period of 1935.

Early quotations at Liverpool showed only moderate advances,
s ite the recovery in North American markets Saturday, and this, we
k, in the main is due to rather favorable reports that are coming
o the Argentine at the present time. The crop appears to be doing
ly, with only the usual amount of crop loss thus far, although some
lities are complaining already that moisture is needed immediately,
icularly in the Western part of the belt and also in the South.
e had some high temperatures, reaching 95 degrees fahrenheit early
rday.

As far as Australia is concerned, wheat is in the critical period
w with heads filling in most districts; and since the genera l rains
d not materialize last week, as had been forecast, we doubt whether
e final outcome of the crop will be as promising as many people be-
e. Possibly this was the cause for some buying at Liverpool during
e last ha lf-hour of their session, when there was a better undertone
s layed, final prices advancing 1/2 to 1 5/8¢ per bushel.

In any event we do not expect excessive surpluses to be offered
ither of the countries just mentioned, and still feel that Canada
l have no difficulty in disposing of supplies before another har-
s. The pressure up there is becoming lighter, and after deducting
e total farm marketings from August 1 to October 22, which amounted
18,470,000 bu, we find the apparent balance to market is greatly
d ced and should only be about 55 million bu. This figure is arrived
fter deducting the amount which generally stays on the farms for
, feed and country mills. In the remaining forty weeks to next
g st 1 the daily quantity of wheat to be marketed will be extremely
l, averaging about 200,000 bu. Since stocks at terminal points
v also been greatly reduced, there can be no great pressure in
ipeg; and in fact, with each week of clearances at the rate of
t 4 million bu would make the burden easier to carry. There is
l a demand in this country on part of mills for Canadian grain,
d for the week ending October 17 we imported 1,107,000 bu of wheat,
since July 1 have taken a total of 17,830,000 bu, or practically
e as much as we imported for the previous calendar year. The fig-
just given refer to wheat imports for consumption and do not in-
le the Canadian wheat which has entered this country into bonded
s.

The visible supply today showed a fairly sizable decrease for the
on of the year at 1,432,000 bu, and stocks in all positions now are
,60,000 bu less than they were a year ago. Canadian country market-
s were 476,000 bu against 1,327,000 bu last year. Primary receipts
716,000 bu versus 1,023,000 bu last year. Chicago stocks dimin-
d 292 ,000 bu, leaving 9,548,000 bu still here.

What little buying developed today resulted from encouragement
ved from the Liverpool market. When recoveries took place Winni-
showed a more spirited advance than we did, although our December
t was the leader here and at the last climbed 1/2¢ per bu. It is
rally felt that our market has two chances for gaining strength:
st of all, a stronger world situation than we have had in many years:
ndly, this being the third season that the amount of wheat actually
sed was beneath home requirements; therefore unless the price re-
s fairly high there would probably not be the economies brought
t to make ends reach.

Corn was favored today by local speculators who, right after the
ing, took hold of the market and confined themselves more to the
rby delivery than to later months. The visible supply increased
,000 bu, but there are hardly any stocks anywhere in the country,
the total visible amounting to only 3,309,000 bu. In view of the
rt crop, we doubt whether there can be any important accumulations
any time.

Oats were more or less neglected. The visible supply, despite a
rease, is still large, but feeds of all kinds are not any too
ntiful.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 27, 1936.

Southern Hemisphere news is being sought each morning by the rade, and of course future prices of world grain will depend largely pon the outcome. Some rather optimistic figures had been furnished arlier on the Australian crop after a few rains had occurred, but it as developed now that recent moisture was somewhat disappointing and onfined almost entirely to New South Wales. It seems likely that a rop of 130 to 135 million bu of wheat may be harvested, according to eports by Broomhall, if temperatures do not rise unduly. We believe t was this latter information cabled to Liverpool which the trade contrued as slightly bullish, together with private reports of frosts n western sections of Australia, where the plant now is very susceptible to damage. Closing figures abroad showed advances ranging from / to 1¢ per bu. Liverpool May wheat is now selling at $1.13, or a iscount of 12 1/2¢ under the October delivery, which represents spot heat and, therefore, appears reasonably priced, as there seems to e no excessive surplus in any of the exporting countries. Fortunatey weather in the Argentine still remains quite favorable, and a few ight, scattered showers have taken place, also lower temperatures are revailing in the West, which have checked further deterioration in at section.

There does not seem to be an overabundance of confidence anyere and this has been against sustained upturns. Actual demand works uch more slowly and, therefore, requires more time before the price inally reflects the true condition. To give an example of how this appens: there has been almost a steady demand on part of Italy for e Plate wheat and it is now thought that nearly 15 million bu has een purchased recently, but the process has been gradual and slow; herefore, has hardly made a dent in the price level. Of course with windling supplies in this country and in Canada finally there must e a removal of hedges, which is bound to become a market factor, ut it has a different stimulating effect than if it were accompanied y speculative buying. At the moment our own domestic milling deand continues on just a hand-to-mouth basis, so that little new uying comes into the market. This, of course, might change quickly, nd meanwhile we doubt seriously whether there can be any drastic declines, as there is no new pressure anywhere.

Receipts in the Southwest have been moderately heavy, but we are old now that the movement is dropping off; and, furthermore, with rm reserves light whatever grain is marketed now must be at the expense of later arrivals.

Primary receipts today were actually larger than last year, although this included a big increase in Milwaukee of 198,000 bu, which robably represented a cargo of wheat unloaded at that point, apparently shipped from some other center, so some allowance might properly be made. In any event there was 732,000 bu received against ,000 bu a year ago; shipments were also very heavy and amounted to ,000 bu. So far this week stocks at Kansas City, Duluth and nneapolis show a net decrease of 82,000 bu.

Toward mid-session markets became a little stronger all along e line; higher prices were registered in Argentina, and this was uickly followe d by advances in Winnipeg and at Minneapolis, which n turn influenced us. At the close December wheat showed an advance f 1/2 per bu, while Winnipeg rose about 1¢ per bu.

Corn was more or less unchanged except for the December delivery, hich gained quite a bit on other months. Premiums for 2 yellow corn n arrivals are holding up well; apparently there is the feeling at there will not be burdensome supplies, or at least heavy deliveries early in December.

Oats and rye were just up a fraction. Very little interest nters in these cereals judging from the volume of trade each day.

UHLMANN GRAIN CO.

MEMBERS:
CHI GO BOARD OF TRADE
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COM DITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 28, 1936.

Early quotations abroad were only fairly responsive to advances ic had taken place in North America yesterday, and also to strength te Argentine, but finally a little greater headway was made with ng prices showing advances ranging from 7/8 to 1 1/2¢ per bu. ems that offers both from Canada and Australia are a little bit r now and apparently Europe finds that in order to get supplies s to pay a fairly high price level and cannot dictate terms, as he case in preceding years when excessive surpluses were being held most all of the exporting nations.

The 1936 wheat crop in France is now reported as 244 million bu, his is a reduction of 40 million bu from the final 1935 estimate, ompares with an average of 305 million bu raised during the period 33. It is not surprising, therefore, that this country has fallen the import column instead of being an exporter as occurred on many ions.

England, which takes nearly half of all the wheat imported into pe, is finding a little keener competition this year, and, there-, we feel that Liverpool May wheat at about $1.13 1/2 represents ratively good values. Since August 1st imports of wheat and flour the United Kingdom are about 5 million bu smaller than they were year; but this is likely to be made up during the ensuing months, ew of the fact that Great Britain is a pretty constant consumer hardly varies her imports much from one year to another.

Since August 1st world shipments to European countries are about illion bu more than they were in 1935, and this is not surprising use of the poor crops in France, Italy and Germany.

The news from the Southern Hemisphere was rather mixed today, ough on the whole quite favorable. One of our friends in the East a cable from Melbourne, Victoria, that good rains had fallen in ern Australia. There seems also to be a possibility that moisture spread into New South Wales, and some people now believe that official crop estimate of 129,500,000 bu may represent too low a pect, with the more favorable weather. In Argentina, conditions are rally quite good, and the chief factor now is the amount of acreage will finally stand for harvest. A year ago the abandonment was heavy, but this probably will not be repeated and cutting in early ricts of the North might commence within a month's time, extending later districts until the end of January. In any event pressure ctual shipments from these southern countries will not be a factor several months yet; and meanwhile we expect that surpluses in Canada be further reduced.

Our market responded moderately to the firmness abroad and fur- strength in Winnipeg. The open interest has not changed a great during the past few weeks, and open trades in the December delivery l outnumber those for May. We feel that there will be a consider- amount of liquidation of December wheat and probably a good many ers willchange over to later months. There are still 48,258,000 pen, but with the poor demand which now exists for red wheat we t whether a great many interests will be anxious to accept tenders ontracts, unless there is a revival in actual demand. We say this use of the fact that May wheat still rules at a discount and, efore, one who would have to carry grain, paying storage of 1 1/2¢ bu per month, together with other charges, would find it somewhat nsive as long as the later month is not selling at least at a ial carrying charge over December. Of course conditions may change it will be interesting to see how much wheat is held by the large ercial mills, as this will undoubtedly be a determining factor, icularly if the primary movement remains moderate.

Primary receipts today were only 444,000 bu compared with 000 bu last year. Stocks at Kansas City, Duluth and Minneapolis ar this week show a net decrease of 107,000 bu. Country marketings anada yesterday were 522,000 bu versus 1,853,000 bu for the previous .

Toward mid-session Winnipeg became slightly reactionary and this quickly followed by sympathetic declines here. There was a slight owing between December and May wheat. At the last the nearby month ed a decline of 1/2¢ per bushel; and it seems that there is insuf- ent buying power to sustain even the moderate upturns.

Corn was moderately firm and the nearby month still rules as a rite. There is no pressure either of cash arrivals or any promise large movement. The crop was sufficiently small to prevent heavy etings next month, and this cereal appeals to us as being in a d position.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 29, 1936

Cables were very weak this morning; and it seems that there is considerable pressure to sell old Plate wheat for early November shipments, and this created considerable bearishness abroad, final quotations at Liverpool showing declines ranging from 2 to 3¢ per bu.

The export business from Canada overnight was very small; and rains in the Argentine, up to 2 inches in some spots, is considered very favorable for the growing crops. Broomhall now estimates that the Argentine surplus will be between 129 and 147 million bu. This is [illegible] million bu more than the previous season, although slightly less than two years ago. There were rather substantial clearances of wheat from the Black sea again this week, these amounting to 2,544,000 bu or about twice as much as last year. Nothing was shipped from Russia, and India was only a small contributor, furnishing 184,000 bu. In any event, it is apparent that future calculations cannot be made with any degree of accuracy without considering the importance of the Southern Hemisphere. It appears likely that Australia, being benefited by the recent rains, could produce a crop of possibly 135 million bu. This is slightly more than the recent official estimate, but compares with the five-year average 1930-34 with crops of 185 million bu; so there is considerable reduction here. In Argentine, the acreage being somewhat smaller, it is not likely that the crop will exceed, let us say, 230 million bu, which would compare with a similar five-year average of 243 million bu.

Ordinarily 75 to 80 per cent of the surplus is cleared during the first seven months of their crop movement, but this year in view of the high prices which are prevailing, the ratio may be somewhat greater. On basis of the present outlook we feel that the two Southern Hemisphere countries having improved somewhat might have a combined surplus of 215 million bu; and under the circumstances probably their prices will not be extremely high. On the other hand Canada is doing a pretty good job of disposing of her accumulated surpluses. The total amount of wheat in various positions, exclusive of that held by farmers and in transit, is 140 million bu, showing a reduction of [illegible] million bu from stocks which were held a year ago. Inasmuch as farmers are also holding a great deal less, the pressure up there is not burdensome, and each week some improvement will be shown.

The world's visible supply, including this country and Canada, also the United Kingdom, Argentina and on passage stocks, shows a reduction of 130 million bu from supplies in same position the previous calondar year.

Primary receipts were moderate at 486,000 bu, and just about in line with what we might expect based on the amounts of wheat still left on farms. Last year this figure was 682,000 bu. So far this week stocks at Kansas City, Duluth and Minneapolis show a total decrease of 125,000 bu, and with business so quiet we are not looking for any very large decrease in the visible supply on Monday. Country marketings in Canada are smaller, and yesterday they were 424,000 bu, while a year ago they amounted to 1,529,000 bu.

The demand locally remains very quiet, and sales out of Chicago are not particularly encouraging. We might expect, therefore, that December wheat could lose ground on the May delivery, particularly if any of the longs in the nearby month decide to change over.

In view of the weakness abroad and at Argentina, also in sympathy with the sharp declines in Winnipeg, our market lost ground, December wheat closing 1¢ per bu lower.

Corn was also somewhat weaker; estimated receipts were 122 cars, and this tended to depress the nearby month. There are quite a few people who have felt bullish on December versus May on the theory that the high cash permiums would tend to check deliveries on the first of December. On the other hand industries which can possibly wait until January for their supplies might do so. Therefore it is largely a weather question as to how receipts run during the next thirty days.

Oats and rye were slightly lower, but again there was no particular feature to the trade.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
W Y K PRODUCE EXCHANGE
EW RK COCOA EXCHANGE
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COM DITY EXCHANGE INC.

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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO October 30, 1936.

While it may be somewhat tedious to call attention repeatedly he fact that there is no great speculative activity anywhere, yet eel that this is the situation, and despite some improvement in hern Hemisphere crops there has been no important change market- during the past month. To illustrate this point a little better, all attention to the fact that on the 1st of October, December t closed at $1.13, and at the same time Winnipeg December wheat selling at $1.06. Both markets are slightly changed at the moment have had practically no range, and we do not think that the swing ither direction was more than about 4¢ per bu.

Today's action was no more encouraging to those who would like e e the market move out of the rut, and scarcely any attention was to quotations at Liverpool, where the close was unchanged to 1/4¢ r. This might have been construed as comparative firmness, in view he great weakness in Winnipeg yesterday. Furthermore there had been s in the Argentine, which were expected to continue for today at t; and in some places precipitation was quite heavy, reaching a mum at Santa Fe where up to five inches was registered.

There are still claimed to be large quantities of wheat avail- for export from the Balkan states, possibly as much as 50 mil- bu; but since other European countries produced only meager crops ust conclude that there will be a fair demand during the entire on for imported grain. Australian shipments for the week were 9,000 bu, while Argentine shipments were much more moderate than ek ago, amounting to only 1,090,000 bu.

There was reported a good export business overnight for Canadian t, estimates running higher than a million bushels, but after the es were covered early in Winnipeg the market eased off due to ral indifference and probably influenced by reports that increas- pressure of new crop Argentine and Australian wheats was be- ng more of a factor abroad.

As far as our own situation is concerned, we are still con- ted with the very limited milling demand and at the same time re- ts at interior points of the Southwest are still fairly large for time of the year, in view of the supposedly small farm reserves. ttribute the latter to substantial acreage increases over the sown a year ago, and according to the Santa Fe railroad report y it is figured that Kansas will probably have a planted area of illion acres, or the largest on record. For the seven leading t states covered by the road, they calculate 35 million sown acres pared with 32,480,000 seeded in the same states a year ago, and a -year average from 1927-31 of only 30,924,000 acres. Commenting he condition for Kansas, which is the largest single wheat state, say that perhaps the plant never appeared better at this time he year than it does at pre sent. Considering this news our wheat held up fairly well, and in fact, has narrowed its dis- t under old crop months during the last few weeks. This may be to comparative cheapness, or possibly to some complaints of dry s in the western half of Nebraska and parts of Oklahoma, which cla imed to be less favorable. It is also thought that parts of Northwest and Canada received insufficient moisture before freez- weather, which would mean that more than the usual amount of spring s would be necessary to put the soil in good condition for spring t. Taken on the whole we see nothing yet of an apprehensive re, particularly with the larger acreage, coupled with those benefi- rains which fell last September.

Primary receipts today were 765,000 bu, but this included a go of wheat shipped from Duluth to Chicago amounting to 222,000 bu. year's receipts were 700,000 bu. Shipments today were quite y and amounted to 770,000 bu. Stocks so far this week at Kansas , Duluth and Minneapolis show a net decrease of 308,000 bu. adian country marketings were 450,000 bu yesterday compared with 6,000 bu last year. There will likely be a moderate decrease in visible supply on Monday, which will compare with a shrinkage last of 799,000 bu. We expect constant decreases for the remainder this crop year, which will gradually mean removal of hedges from market.

Liquidation both here and in Winnipeg found the market poorly ported. At the close our December wheat showed a loss of 3/4¢ per el.

Corn was comparatively firm, the greatest strength being shown

DAILY MARKET LETTER

MEMBERS:
CHI GO BOARD OF TRADE
EW Y RK PRODUCE EXCHANGE
NEW ORK COCOA EXCHANGE
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UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

October 31, 1936.

After a slightly lower opening at Liverpool there was a rally, losing prices being at about unchanged levels from the previous day. s feared that the very heavy rains in the Argentine may be con- ive to rust, and it is apparent that Southern Hemisphere crops re not entirely made yet. At the same time, cheap Australian and ice offerings, also expectations of larger world shipments this ek, prevented any very sharp advance; and since the carry-over eling here was lacking in enthusiasm our prices were just a trifle ier at the opening.

Winnipeg, which had been so very weak yesterday, also afforded little more comfort to believers in higher values, but the early ly up there was short-lived, and apparently liquidation had not n completed.

As we view the Canadian situation, we cannot help but feel endly at around this level. Ordinarily one who wants to trade in nipeg May wheat has to pay a pretty stiff carrying charge, but ause of the small crop futures are selling at discounts there, s is the case here.

Total country deliveries from August 1st to October 23rd have n nearly 120 million bu, leaving only about 54 million bu still to e forward from farmers, this being based on just normal seed, feed n country mill requirements for that country. If we take the visible ply and add the amount on farms, plus the grain in transit, we d that Canada has 211 million bu of wheat in all positions; but s is a reduction of 145 million bu from stocks carried in similar itions at the previous calendar date. This being the case, we not se e any great pressure; and in fact, with any revival of de- d from abroad w ould rather expect to see firmness. Actual ex- ts of Canadian wheat on this crop are nearly 66 million bu; or in lve weeks on an average of 5,489,000 bu per week. This, of course, ludes not only ocean exports, but also wheat shipped to the ted States; but in any event, it is that much pressure that will no longer have to be dealt with. It was the very burdensome supplies in Canada last year that prevented any material market advances, but h such a great correction taking place the situation now is cer- nly more sound.

Broomhall comments that even if the Southern Hemisphere should vest 370 million bu of wheat this season, it is still below normal. concur in this, having given figures in previous letters for the e-year average, exclusive of last year when Argentina had had a nal crop failure.

Primary receipts were quite moderate at 428,000 bu, while pments were a little larger and amounted to 436,000 bu; last year eipts were 683,000 bu. Kansas City, Duluth and Minneapolis stocks w a net decrease so far this week of 310,000 bu. Canadian country ketings are down to rather small proportions, and were 487,000 bu pared with 1,021,000 bu in 1935.

There was very little feature to our market; it was one of se dull Saturday sessions, but after early liquidation had spent t force recoveries occurred both here and at Canada, our December at finally showing an advance of 1/2¢ per bu.

Corn, as well as the other cereals, benefited slightly in pathy with higher wheat prices. Corn was also influenced by a tty good cash demand, and a forecast of wet weather which it was ught would delay the movement.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 2, 1936.

According to Broomhall's comment, weakness at Liverpool this morning was attributed to unconfirmed reports that the Argentine government is likely to abolish the minimum price on wheat this coming season. It seems a leading operator liquidated his December holdings, and at the last the nearby month showed a decline of 1 3/4¢ per bu while the other months were 1¢ per bu lower.

We had never thought for a moment that there would be a repetition of last year's action by the Argentine government. In other words, we have assumed right along that with crop prospects of at least 5million bu no attempt would be made to hold up the price. But even assuming that no artificial action would be taken it then behooves us to try to reach a conclusion as to what wheat may be worth on its merit.

There is at the present time a very good demand for Argentine wheat to be shipped after the first of the year; and already Italy has contracted 20 million bu or more, and it is thought that Greece will be a good-sized importer this coming year; so we cannot become unduly excited on the bear side of the market.

There have been further rains in Arge ntina, which will probably prove to be beneficial, but, of course, this year's acreage was not a very large one. World shipments this week were 11,161,000 bu, or about the same as a week ago. However the contribution from North America was 1/2 million bu larger, but corollarially offset in other countries. The on-passage stocks increased about 3 million bu for the week, and are large now, amounting to nearly 34 million bu. This apparently has also given a little more assurance to importers abroad.

In our country, there had been further moisture overnight with more anticipated, and this combined with the weakness abroad caused a der opening both here and at Winnipeg.

Primary receipts today were 695,000 bu compared with 835,000 bu last year; shipments were light and amounted to only 266,000 bu. The visible supply showed a decrease of 1,011,000bu, and total stocks now in various positions are 70,459,000 bu, or a decrease of 6,842,000 bu from supplies carried in 1935. Chicago stocks decreased but slightly, only 49,000 bu, and the total is now 9,499,000 bu. In spite of this fact, December wheat remained very strong, but we think this is more or less accidental, and with the extremely light trade which we are having at the moment spreading differences depend more or less upon the character of individual orders. We still feel that unless there is a better demand for red wheat finally the nearby future will sell closer to the May price.

Winnipeg was quite weak early, but also showed some recovery. We believe that the Canadian market at the present discount under Chicago should be low enough --at least on a relative basis. Canadian country marketings were 350,000 bu versus 1,127,000 bu a year ago.

At the close our market, despite some firming up, showed a decline of 1/8¢ per bu for December.

Corn was never very weak even when the leading cereal declined, and we believe that wet weather probably was a sustaining influence. We regard July corn as a good investment, particularly since it can be bought at such large discounts under other months; and it is our opinion that by next July supplies will have been greatly reduced.

Oats were very little changed from the previous session, late firmness came in sympathy with better corn prices. The visible supply is decreasing a little each week, but total stocks are still large, amounting 46,515,000 bu.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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CHICAGO November 4, 1936.

While domestic markets had been closed yesterday for the election, prices abroad slumped very materially, and at one time there had been a decline in Liverpool amounting to as much as 1 1/2¢ per bu. This naturally had a depressing effect upon Winnipeg, where declines also were scored of nearly a cent per bushel for all futures. This morning there was quite a reversal of trend and the distant months abroad had not only recovered from their weakness of yesterday, but actually advanced 1¢ per bu, although the December delivery was 1/8¢ per bu lower. Trade was somewhat encouraged not only by the recovery, but also by the news which claimed that a better demand for wheat in the United Kingdom existed, especially for Canadian and Australian varieties. There was also a sharp rally in the Argentine yesterday afternoon, with higher prices again this morning, and it seems that Italy continues to be in the market for new Plate w heat,three additional cargoes being taken. Also there has been a demand for large quantities of flour to Spain, and taking it all in all, with short crops abroad, one could get quite bullish were it not for foreign financial problems, which tend to keep business down to a minimum.

The private experts this morning forecast an acreage increase of about 9 per cent over last year's sown area, indicating on an average that 51,807,000 acres had been prepared for winter wheat. If we assume that there will be only approximately 13 per cent abandonment, which in ordinary times is normal for winter killing, etc., there would be a standing acreage next spring in excess of 45 million acres. On a basis of a yield per acre amounting to 15 bu, there is the possibility that next year we might raise a crop of 675 million bu of winter wheat. We appreciate that during the last five years the yield has been less than this amount,but then it must not be forgotten that in [illegible] we raised 19 bu per acre; in 1930, 15.4 bu; in 1928, 15.7; and in [illegible], 16.8 bu per acre, so that what we have mentioned as a possibility might find fulfillment if conditions were favorable throughout the season. According to Mr. Cromwell, condition of the winter wheat crop is generally favorable now, with better than average prospects, although he claims that in western Nebraska, South Dakota and Montana, also in the Pacific northwest, the moisture supply is poor. He also claims that there are some unsatisfactory moisture areas also in western Kan sas, Oklahoma and Texas, but that these areas are smaller than for several years. If we figure also that the spring wheat crop could e asily amount to 225 million bu next year, total supplies might reach 900 million bu compared with this year's crop of only 627 million bu. At the present time July wheat, which represents a new crop, is still close to the dollar mark, but trade is very small and open contracts are only about 5 million bu.

Primary receipts today were 649,000 bu compared with 470,000 bu last year. So far this week stocks at Kansas City, Duluth and Minneapolis show a net increase of 78,000 bu. Canadian country marketings yesterday were 314,000 bu versus 572,000 bu last year.

The September imports of wheat into this country were 5,777,000 bu and w e presume that October will be nearly as great. However some wheat is being exported from the Pacific coast; and Broomhall figures that 16 million bu will be cleared for the entire season. The same world authority revised upwards his estimate of probable importers requirements, now figuring that 540 million bu will be needed against an earlier estimate of 512 million bu. He has not changed his ideas for ex European countries, but has increased European takings to the extent of 28 million bu. This, we believe is wise in view of the shortage abroad, and will come closer to the final figure. After allowing for 16 million in Argenti a carryover on August 1st, 1937, of 40 million bu in Canada,/16 million in Australia, and 8 million in the Danube, also 8 million bu in sundry countries, it is estimated tha t the world's exportable surplus during the current season is only 2 million bu over estimated requirements. This, we believe suggests a closer adjustment than in many years, and will probably influence buyers abroad.

Our December wheat at the close had advanced 5/8¢ per bu over the finish on Monday.

Corn was benefited by higher wheat prices. There was nothing of particular interest in the news; private experts on an average estimated the crop at 1,505,000,000 bu. This was not enough of a change from the last government report to be of much market importance.

Oats and rye, while lightly traded in, showed the results of improved sentiment and did considerably better.

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CHICAGO November 5, 1936.

Big inflation buying swept practically all security markets yes- erday, and this was not only national in scope, but was apparent in urpean markets as well. Such a world-wide movement causing an upure in quotations has created a great deal of discussion, and for any reasons we believe that it will become more of a factor as time oes on.

From France we are advised that the franc has probably not been evalued sufficiently. Many students of the situation feel that other operation will have to take place, although serious minded ople believe that it may require another year or two. Under these rcumstances there can hardly be any question but that England would ollow, and finally we might have to do the same.

Therefore great uncertainties about currencies will continue to ist; and inflation is not only possible but very likely. In England ere is tremendous prosperity, and the Englishman seems to think that er in America we are one or two years behind them. For that reason e are continually buying American securities, which are cheaper than ritish, incomes considered.

With possibly this thought injected into the grain market this rning weakness in Liverpool was of little importance, and a better eculative buying power was apparent when our session opened. It ems to be the general opinion that many commodities may lag in the rocess of higher prices, and that the immediate effects will not be great; but in any event, renewed interest in commodities should be nsidered.

There are no complaints today from the Argentine; with fair and arm weather prevailing harvest in the North is expected to be general the middle of this month. Broomhall still maintains his earlier stimate for that country, ranging from 129 to 147 million bu surplus xt season, depending somewhat upon weather conditions from now until he end of harvest.

Black sea shipments for the w eek were slightly smaller than the revious week, and amounted to 2,056,000 bu. There was no wheat shipped om Russia, although 238,000 bu of rye cleared. India contributed ,000 bu of wheat, but it is apparent that until Southern Hemisphere erates more heavily the larger contributions must still be furnished Canada.

There was talk today of the possibility that the Administration s under consideration a Federal crop insurance program. No definite rking plan is yet devised, and until we know just how many million hels of wheat will be tentatively set up in reserve, or whether this ll be comprised of actual grain stored on farms or at terminal markets r whether futures will be purchased, we reserve the right to withhold ur opinion as to its effect upon price, if any, should such a plan nally be adopted.

Primary receipts today were very light, and amounted to only ,000 bu against 715,000 bu last year. So far this week stocks at sas City, Duluth and Minneapolis show a net increase of 158,000 bu. ntry marketings in Canada yesterday were 356,000 bu, and for the same endar day in 1935 they were 584,000 bu.

Since July 1st to October 24th wheat imports for consumption into s country have amounted to 18,532,000 bu; this compares with 10,607,-0 bu last season. During the last week of this period they were somet lighter, running only 702,000 bu.

There is no change in the statistical position as we see it. ible supply stocks of United States, Canada, United Kingdom, Argentin n on-passage are about 130 million bu smaller now than they were a r ago, but apparently all of the shrinkage has taken place in Canada. addition to the reduction in the Canadian visible supply, there is o less wheat on farms, and, therefore, pressure in Canada is becoming ighter all the time. Latest figures fromAustralia indicate that the rop might finally be 140 million bu compared to a slightly larger crop t year. Since the first of August world shipments to Europe are about million bu larger than in 1935, while those to ex-European countries r about the same.

The yellow cereal was in much better demand today; the nearby th registered sharp gains, which were helpful also to the May and Jul ures. A good many people are figuring that if visible stocks cannot built up now that certainly by next July there will not be heavy aculations to burden the market. Therefore better sentiment prevailed around which in turn also led oats and rye to a higher closing.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO November 5, 1936.

There was absolutely no response in Liverpool this morning to th sharp advances in North American markets yesterday, but rather the itish seem to be following the action of prices in the Argentine, furing that in another few weeks they shall have cheaper supplies om the Southern Hemisphere. At the close there was a decline of out 1¢ per bu for all Liverpool futures.

Italy continues to buy wheat freely, and three cargoes were ken from the Argentine, but this had very little effect marketwise. e actual demand in the United Kingdom is slow at the moment, posbly influenced by fairly liberal shipments of 1,734,000 bu this week om Australia and 1,603,000 bu from Argentina, both making fairly vorable comparisons with the previous year. In the meantime weekly earances from the Balkan countries are decreasing, although remaining pplies are still abundant.

There were some official figures issued yesterday showing the ount of wheat held by commercial mills as of October 1st; and this w gives us a complete picture for the three months of the present op season, which with comparisons for the past two years is as llows: (in million bu)

	1936	1935	1934
Farm reserves	227	267	242
Interior Mill & Elevators	117	103	105
Big mills	114	118	126
Commercial visible	82	82	120
Total - - - - - - - -	540	570	593

There are some interesting conclusions to be drawn from the above atistics. First of all total stocks in these four places are smaller w than either in 1935 or in 1934, showing less pressure which could exerted upon the market. In an effort to reach the approximate gures for three months' disappearance we tabulate below carryover pplies together with crop figures for the past three seasons. n million bu)

	1936	1935	1934
Carryover	150	154	288
Total crop	627	633	496
Total - - - - - - -	777	787	784

is now brings us to the further conclusion that from July 1st to tober 1st of this year the disappearance was 237 million bu versus 7 million bu last year and 191 million bu two years ago. Of course is does not take into account either imports or exports, although might say here that this year there had been imported possibly 8 llion bu more than the previous year, which would mean a slightly rger disappearance on the assumption that exports were not an important factor.

There was a statement issued today, attributed to the Secretary Agriculture that with very fine prospects and large acreage, Kansas ght possibly raise a crop of winter wheat next year of 300 million . This, in our opinion, would be the very outside figure, as the rgest crop ever raised was in 1931 when 240 million bu of wheat were thered, although the area harvested at that time was only 12,632,000 res.

We understand that the United States Department of Agriculture ll probably revise its figures on acreage seeded for the fall of 935; and it would appear that such a revision will place the acreage the neighborhood of 50 million acres. This would be an increase about 2 1/2 million acres over the last official report; and on that asis one might expect a very tremendous area sown this fall because actically all localities are reporting a good increase over the preious season.

(OVER)

Primary receipts were only 330,000 bu, and compare with 731,0 bu last year. So far this week stocks at Kansas City, Duluth and Minneapolis show a net increase of 55,000 bu. However we expect th the visible supply on Monday will show a small decrease, while a yea ago similar period there was an increase of 213,000 bu. Pressure i Canada is becoming lighter all the time; country marketings were on 263,000 bu against 614,000 bu in 1935. This is the smallest since August 1st.

Actual exports from Canada August 1st to end of October were 72,215,000 bu. This is on an average of 5,555,000 bu per week. Durig the same period the combined exports from Southern Hemisphere countries were 31 million bu, an average of 2,407,000 bu per week. It is expected now that harvesting will be fairly general in Australia in about ten days.

At the close our December wheat showed fractional losses from the previous session. The weakness come in sympathy with Liverpool despite the great strength in corn.

The yellow cereal was influenced by a pre diction of wet weathr also a good demand for the cash article and a steady basis. The nea-by month advanced above the dollar mark, and this, of course, influenced the deferred futures also. Sentiment is becoming more bulls and trade is enlarging.

UHLMANN GRAIN CO

DAILY MARKET LETTER

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CHICAGO November 7, 1936.

Traders have become so accustomed to the recent indifference on part of Liverpool quotations that this morning when there was an advance of 1/8 to 3/8¢ per bu, it was almost considered a victory.

Much stress has been placed recently upon comparative cheapness of Argentine prices, but there are two factors which are sometimes lost sight of: namely, that a preferential duty in favor of the colonies gives Canada a decided advantage, particularly as Great Britain is taking about half of the wheat which is imported into Europe. Furthermore the quality of Manitoba wheat is so high that in competing markets it generally has an advantage of 8¢ per bu over competitive grades. In our own calculations we often figure that #3 Manitoba wheat would grade as #1 Northern wheat in this country; and wheat of that description is deliverable at Winnipeg at 8¢ per bu discount under the contract price. Broomhall more or less confirms this view when he states that despite the price differential and the comparative cheapness of Plate w heat the relative price abroad is only about 4¢ a bu less than Canadian varieties.

Our markets opened firm and we were immediately influenced by the great strength in corn, particularly the nearby month, which advanced sharply to the highest level of the season. The significant feature to advancing corn prices is that undoubtedly it will finally reflect larger feeding of wheat to animals, and this our readers will recall was one of our primary reasons for assuming a bullish attitude to wheat as regards our domestic situation.

We have been figuring right along that last year's wheat consumption was really larger than the Government estimate, but that because of early arrivals of new wheat in July there was not a distinct cut-off between old and new crop statistics. We now feel that this year's consumption will not only compare favorably with last, but will even exceed those figures, due to the short crop of corn which in many districts w ill necessitate additional feeding of wheat. In view of the fact that this year's crop only amounted to 627 million bu and that domestic consumption will be a good deal more than that figure it should eventually make heavy inroads into the carryover stocks, except as supplies are being augmented by imports fromCanada. Even this is somewhat cut by virtue of the fact that we may export 16 million bu of wheat from the Pacific coast.

Primary receipts today were fairly large at 575,000 bu compared ith 671,000 bu last year. So far this week stocks at Kansas City, uluth and Minneapolis show a net decrease of 92,000 bu.

There was no great change in the routine news. Winnipeg prices ere just fairly responsive; their situation is be coming better all the time. We figure that by the end of October they had a total amount of wheat in all positions of 204 million bu. This includes about 50 million bu on farms, or a reduction of 17 million bu from stocks held year ago. The total, however, shows good work on part of the present administration, since they have reduced supplies everywhere to the extent of 147 million bu below those held at the same calendar eriod of 1935.

At the last our December wheat showed an advance of 3/8¢ per bu.

Corn, as we have mentioned earlier, was the leader, and while best prices were not maintained until the close, there was at least much better speculative demand with cash prices following pretty closely the nearby future. It seems that the bankers in many farm communities are offering to loan a fairly substantial amount on corn if farmers decide to withhold this grain from market; and this is esponsible for comparatively light receipts in view of the high prices.

Primary movement of corn today was 424,000 bu, which was smaller than last week when it was 570,000 bu, and also less than a year ago at 494,000 bu.

We urge some caution on extreme bulges, although continue to feel that the yellow cereal has great merit.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 9, 1936

December liquidation in Liverpool was offset by smaller North American shipments, and there was also buying abroad this morning upon reports that frosts in parts of southern Argentine had occurred. This induced rather active short covering, and prices advanced sharply, gains established of 1¢ per bu for Liverpool December wheat, and as much as 2 1/8¢ per bu for March wheat.

The amount of stocks on ocean passage are now quite large, with 3 million bu of wheat afloat; this is an increase of about 4 million within the past week and compared with 27 million bu last year.

Argentine weather is warming up now, indications being for higher temperatures, although in the Provinces of Cordoba, Santa Fe and Entre Rios there are complaints of excessive rainfall. This being the case our markets opened somewhat firmer, helped also by strength in Winnipeg. It seems that there is still insufficient speculative absorption to give us anything very sensational.

The open interest decreased slightly on Saturday, and is in the neighborhood of 101 million bu, where it has been for quite a while. Traders are apparently thinking a little further ahead as to what might happen at the end of this season should next year's crop loom forward as being a large one. Even the Department of Agriculture is issuing a warning as to what might happen to the price in 1937, because of the fact that with normal weather and the large acreage we might produce considerably more than our consumptive requirements next year. Their report claims that the drought last season shortened the United States wheat production, despite seeding of 75 1/2 million acres, which was the second largest area on record; and they go on to say that for next season the acreage will be at least as large. In pointing out that an average yield would result in a production of about 880 million bu, or 22 million bu more than is ordinarily utilized, one would think that July wheat would be selling at even greater discounts under the old-crop futures. But apparently there is some thinking along other lines: namely, that even with small reserves at the end of the present season, a good many buyers will be induced to make present supplies stretch just as far as possible until the new crop comes upon the market. As we have pointed out, even if this is the case we expect a rather close adjustment.

Country marketings in Canada are down to very small proportions now, only 266,000 bu on Saturday versus 658,000 bu last year. We figure that in 38 weeks to August 1st, the average marketings per week should not run over 1,268,000 bu; and on that basis pressure in Winnipeg is apt to be very light.

Since the first of July to the end of October the United States has been a very good customer for Canada, and we have imported for consumption nearly 19 million bu of wheat. It seems that even with the present price relationship some of the millers in this country still require fine quality of Canadian wheat in the mixture of their flour requirements.

Primary receipts today were 595,000 bu, and shipments were 613,000 bu; comparisons with a year ago cannot be made because of a holiday at that time. The visible supply decreased 825,000 bu, and total stocks now are 69,634,000 bu. A year ago there was a small increase, and we find that there was also on hand 7,880,000 bu more than at the present time. Therefore we believe that with the passing of time sufficient hedges will be taken out of the market to give us more or less firm markets.

At the last our December wheat was unchanged, while other months were somewhat lower.

Corn was again the more important actor from point of view of price range. The carryover feeling was rather bullish, and there were immediate buying orders in December when our market opened. The best prices of the day were not maintained, but sentiment remains bullish because of the fact that no great accumulations are taking place. Primary receipts were a little bit larger than last week, and amounted to 81,000 bu, with shipments rather small. Therefore it might seem that after the sharp advances we have had some caution should be used. We have advocated taking at least partial profits, figuring that there might be better buying opportunities.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 10, 1936.

It seems that so far neither the frosts in the Argentine nor the eavy rains have had any adverse effect upon crops, although a few inor complaints are heard from isolated localities. With this the ase, first quotations at Liverpool were easy, less apprehension being elt about the outcome of crops in the Southern Hemisphere; and outside short covering at one time in the European market there was no eat strength abroad at any time.

Temporarily liquidation in December wheat has subsided, and the emand in the nearby position is reported somewhat improved. At the ast there was a decline in the English market of 5/8¢ per bu for the eferred months, while the nearby delivery was just a shade higher.

We had little to guide us at our opening; as a matter of fact, irst prices were very little changed from the previous session, and s yet no new incentives have been found to create great confidence mongst speculators. Most of them are still impressed with the large creage which was sown to winter wheat this Fall, and the probability hat after two or three small crops that at least we shall be favored ith an average crop next year, which might again place us in the exort column. This, however, is to be less feared now than had it ocurred two or three years ago when international grain prices were all erribly depressed. We are fully prepared to see this happen now articularly since the excessive carryovers in most exporting countries ave been reduced to moderate proportions.

As far as old-crop wheat is concerned, we would not feel particlarly bullish on the price level if we thought that the domestic tilization of wheat would be only 660 million bu, as the Department f Agriculture reckoned in one of its earlier reports. In other words ith a crop this year of 627 million bu we might be able to augment upplies sufficiently through importations to make up that deficiency nd still carry almost as much wheat into the next crop as was carried nto the present one. However we are mindful of the fact that a air export business is being consummated on the Pacific coast; and roomhall figures that possibly 16 milli6n bu of wheat will be shipped rom Western ports, which up to the present time is nearly as much heat as we have imported from Canada. And moreuver we are certain rom reports which come to us that feeding in the Southwest must be n a much greater scale than a year ago due to the very short corn rop. One country shipper in the Southwest was quoted as saying that e had sold four truck-loads of ground wheat to every one of corn, ecause the difference in price was about 18¢ per bu. We presume with he relative cheapness that this may be the case in very many other nstances. Consequently we are looking for a rather large domestic onsumption this year, and, therefore, continue to feel that May wheat ill increase its premium over July, as supplies continue to be reduced.

We think today for the first time we can see a smaller movement t interior points, and according to the latest figures of farm reserves, there cannot be any great quantity remaining in Kansas, klahoma or Texas.

At the moment we continue to suffer from lack of speculation. Primary receipts today were 345,000 bu compared with 896,000 bu a year ago, but at that time they were for a two-day period. Stocks so far this week at Kansas City, Duluth and Minneapolis show a net increase of 85,000 bu.

Canadian country marketings yesterday were 306,000 bu versus 888,000 bu a year ago.

Toward the last Winnipeg became quite weak, and this in turn influenced us, bringing about fractional declines, the close showing a loss of 1/2¢ per bu for the December wheat.

Weakness in corn came about through profit-taking and realization that advances of late had been very rapid. The country seemed a little more inclined to sell, and with talk of Argentine importations the edge seemed to be temporarily off the market. When the yellow cereal turned weak it also had its effect upon other grains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
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MEMBERS:
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 12, 1936

All commodity markets were closed on Armistice Day except Liverpol, and there only fractional changes occurred. This morning, howver, Liverpool was somewhat lower, final quotations being unchanged o 3/8¢ per bushel lower, due to reports from the Argentine that the rop was apparently making good progress. In some localities very high ields of wheat are being expected, and at the present time weather ver the grain belt is clear with normal temperatures prevailing.

The Australian outlook is also quite good, and it is thought that ne crop will turn out somewhat better than the last official estimate.

Black sea shipments this week were quite substantial at 2,304,000 u, while estimated Argentine shipments were about in line with last ear's, and amounted to 1,286,000 bu. Nothing was shipped from Russia, lthough India contributed 248,000 bu.

There is really very little new in the situation, and this seems o be reflected by general indifference on part of the speculating ublic. Smaller world supplies this year have resulted in a materially igher level of wheat prices than existed in 1935-36. The probability hat carryover stocks at the end of this season will be reduced to very oderate proportions points to a continuation of reasonably good prices; ut already the trade is viewingthe large acreage sown to winter wheat, nd with sufficient moisture almost everywhere seeding and germination ave made fair progress. Those who look pretty far ahead seem to think hat with more plentiful supplies next year a rather conservative atitude should be adopted now; and apparently this is responsible for he small fluctuations.

There is, however, an enormous business being done between Italy nd the Argentine, and some people are of the opinion that Italy may ake as much as 50 to 60 million bu of wheat, while a year ago they ardly imported anything. Greece is also a heavy buyer, and astonishng, because it is such a small country. The same may be said of elgium; and even France will be compelled to buy, although latest inlications are that the government will restrict the quantities which re admitted. Of course the European purchasing is largely on a hando-mouth basis, and nobody is stocking up heavily in advance of requirements, which may possibly mean that it will take a little longer ime before the old wheat position will assert itself, and possibly rises will not occur until Spring. We are mindful of the fact that rgentine and Australian crops turned out somewhat better than earlier stimates; but we hold to our theory that the demand for old wheat will be great.

The world visible supply of wheat, which comprises United States, Canada, United Kingdom, Argentina, and on passage, shows total stocks of 254 million bu, or a reduction of 129 million bu from supplies held a year ago. Since the first of August Europe has taken 16 million bu more wheat than for the preceding crop year, and ex-European countries have taken 1 million bu less, but apparently buyers are pausing temporarily until Southern Hemisphere nations will have their supplies available for market.

Primary receipts of wheat today were 611,000 bu, but this was for two days. Last year for a single day they were 687,000 bu. So far this week stocks at Kansas City, Duluth and Minneapolis show a net decrease of 42,000 bu. Due to the holiday there has been more or less inactivity. Country marketings in Canada yesterday were 354,000 bu compared with 764,000 bu in 1935.

Toward mid-session markets displayed a better undertone, influenced by a recovery in corn and firmness in rye. At the close our December wheat showed an advance of 5/8¢ per bu, with May wheat following closely behind.

Corn was rather weak early and the movement was considerably larger. Primary receipts were 909,000 bu, which was also for a two-day period, compared with 358,000 bu last year. The government report issued late Tuesday had very little effect marketwise, and because of the great shortness of the crop later months were probably more affected than the nearby showing strength; and it is recognized that by next July supplies in this country will be greatly reduced.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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NEWYORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 13, 1936.

There was no important news overnight. The Canadian report is-
ued late yesterday estimated the entire Canadian crop at 233 million
u compared with 277 million bu last year. This was hardly changed
rom the previous report, and, therefore, not a market factor.

The Department of Agriculture has just issued some very interest-
ng figures and also revisions of some former ones. They now claim
at the carryover into the present crop was only 137 million bu. This
s the smallest since 1928, when our reserve stocks amounted to 112
illion bu. As a matter of interest we tabulate below the various
evised carryovers for a number of years as follows:

1929	- 228,373,000 bu	1933	- 377,942,000 bu
1930	- 288,879,000	1934	- 274,328,000
1931	- 313,292,000	1935	- 145,618,000
1932	- 375,152,000	1936	- 136,739,000

e now ask ourselves the question, "What the carryover might be at the
nd of this season?" First of all we find that the amount of wheat
sed last year for seed amounted to 88 million bu, and assuming a 10
er cent increase in acreage, there would be an increase this year of
t least 8 million bu. Next we find that the amount of wheat used
n farms for feed, etc., amounted to 97 million bu last year; and while
his was more than for the two preceding seasons, it compares with
73 million bu of wheat fed in 1931 when we had our very short corn
rop. Even the following year there was 125 million bu of wheat fed.
o we do not think that we are much in error in believing that on this
resent crop, feeding to animals will greatly exceed the amount of last
ear, particularly since in many localities corn is bringing a higher
rice than wheat.

The Government also raised its estimate of domestic disappearance
or the 1935-36 crop, to approximately 660 million bu. We, therefore,
elieve that domestic utilization this present year will be sufficient-
y more to bring our next carryover down to very small proportions.
n other words we shall probably have the smallest amount of wheat left
n the country than at any time in eight or nine years.

The total amount of crop and carryover may now be placed at
64 million bu. If we assume that imports amount to about the same as
ast year, which were 35 million bu, and exports in the neighborhood
f 15 million bu, and also allow an additional 25 million bu which
ight be used on farms for feed and seed, our carryover on July 1st
ould be reduced to about 100 million bu. This may be somewhat ex-
reme, but yet not impossible in view of conditions which now face us.

Contrasted with the strength of the old crop situation we have
he enormous acreage of winter wheat sown this year; on the whole
onditions are favorable, and said to be the best in several years. Ad-
itional moisture would be beneficial in localities of deficiency, but
he new crop is not suffering. The Robinson Elevator report, in which
e have great faith, discusses the situation in Kansas, claiming that
he plant has developed a fairly good root growth generally, and with
ood winter moisture,says that we could have glowing prospects in the
pring. They furthermore claim that while somewhat concerned about
oisture conditions during the winter, they believe an average crop
ould be produced with the fall start we have had.

As long as prospects are favorable as at present, it has a
empering effect upon bullish enthusiasm.

Primary receipts today were 776,000 bu, which included 303,000
u of wheat received in Chicago fromFort William. Last year receipts
ere 407,000 bu. Stocks so far this week at Kansas City, Duluth and
inneapolis show a net decrease of 65,000 bu.

At the close our market showed fractional gains, December wheat
dvancing 5/8¢ per bu. Winnipeg was also a little higher, and reports
ad it that 1/2 million bu of wheat were sold to Germany in exchange
or German goods bought by Canada.

Export business while not urgent remains fairly good, with
radstreet's clearances from North America this week totaling 5,441,000
u versus 3,218.000 the previous year. Broomhall anticipates an in-
reased trade between Italy a nd Argentina resulting from reduction in
uties on Argentine wheat. The tariff on wheat has been lowered from
5 to 47 lire, and already a large business has been consummated.

Sentiment in corn remains quite bullish; the close was just a
hade higher, with the nearby month leading.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO Nov. 14, 1936.

Italian wheat purchases were again responsible for the strength i the Liverpool market, where at the close quotations showed advnces ranging from 7/8 to 1 1/8¢ per bu. Not only did Italy make some rchases of Australian wheat, but had also inquired for further quantties; and it is now thought that Germany will very likely buy more nadian wheat. So that after all the shortage in crops abroad seems t be asserting itself despite financial conditions which undoubtedly e hampering to a large extent the volume of business which might dinarily be consummated.

Crops in the Southern Hemisphere continue to make fairly good ogress, and the official weather forecast in west Cordoba is for in where it is wanted, so we see no reason to feel that the crop will any less than 240 million bu, and might possibly be a little bit re. This, of course, will render possible large clearances compared th the meager amounts which had been furnished during the last seaon because of a crop failure a year ago.

It is also felt now that the Danubian exportable surplus will about 100 million bu, which is an all-time record, but considering e need for imports into other parts of Europe we still feel that at e end of the season reserves will not be burdensome.

World shipments on Monday are apt to be quite large, as 6 milon bu have been shipped, outside of what will be furnished by North erica, but we believe that England has recovered from her recent ight, realizing that other import nations are in a position to ke care of healthy supplies, particularly since the great pressure Canada has been relieved the quantities overhanging the market ing much smaller than in the last four or five years. With only about 5 or 50 million bu still left on Canadian farms, the future pressure s bound to be light, and we consider the world markets in a very althy position at the present time.

Our own domestic situation is being strengthened through additional amounts of wheat which are being fed to animals, which finaly will result in a larger domestic consumption than in ordinary times, eing occasioned by the high prices existing for corn.

The milling demand appears to be somewhat better, and we beleve that this will be more of a factor from now on, necessitating edges which must be taken out of the market. The demand for Chicago eat was somewhat improved, although we think the demand for the hard arieties is better than for the Red. Undoubtedly there is being dmixed a little red wheat even into bread flour due to its relative eapness. However, according to the latest figures on farm reserves, e percentage of red wheat remaining in the country is much greater an the hard wheat.

Primary receipts today amounted to 472,000 bu versus 521,000 bu year ago. For the entire week they were just a little bit smaller an for the same period of 1935. Stocks at Kansas City, Duluth and inneapolis so far this week show a net decrease of 66,000 bu.

Our market still suffers from lack of speculation, although ith a fundamentally sound position, we feel that in spite of that andicap, higher prices will finally result. At the close there was an dvance of 3/4¢ per bu for the December wheat.

Corn also held well despite the fact that there were about 150 ars here in Chicago, and the country seemed a little bit more inlined to sell. Primary receipts amounted to 898,000 bu, which was bout double of what they were a week ago, and in fact even a little bit arger than last year when the crop was much more normal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO November 16, 1936.

Despite North American strength on Saturday, Liverpool was rather reactionary with closing prices today showing losses of 5/8 to 78¢ per bu. It seems that larger world shipments this week had a depressing effect upon foreign trade, particularly as floating stocks increased a further 2 million bu, and the total amount of wheat now on ocean passage exceeds 40 millionbu, which is the largest quantity since August 1934.

Foreign news had very little effect upon Winnipeg prices, which became known 15 minutes before our opening, with the result that we paid more attentionto the firmness in Canada than to the weakness in Liverpool. There were a few buying orders in our December wheat, and the nearby delivery also lent strength to other months.

There was no additional news from the Southern Hemisphere, although both Argentine and Australian crops are progressing favorably, and harvesting operations will soon be under way. An unusually large proportion of those early arrivals have been contracted for, although Italy, which had been a large buyer of late, appears at least to be temporarily out of the market.

We had a London telephone conversation with our Mr. Fred Uhlmann, who has been in E urope for a month, and he told us after his travels to both France and England, that he regarded the situation surrounding the old wheat crop as very sound. He referred more to the world situation than to domestic factors, claiming that European demand would probably remain good for a number of months to come. With potential buyers, such as Italy, Greece and Belgium, there was bound to be a ready demand for large quantities of wheat this year, and he felt that before another harvest in North America that supplies would be greatly reduced as compared with previous seasons.

We are told by many of our friends in this country that feeding operations are of sufficient size to make big inroads into present supplies. At the moment, of course, the milling demand is rather quiet, but with greater prosperity we feel that the domestic consumption of flour will be fully as large as a year ago, and that in the end carryover stocks will be quite a bit smaller than they were in 1935. Our visible supply shows steady decreases, which will undoubtedly grow as we come into the winter months. For the week there was a shrinkage of 1,118,000 bu, leaving total stocks of 68,516,000 bu, which is about [illegible] million bu smaller than for the corresponding period last season. Primary receipts were fairly large, amounting to 605,000 bu compared with 661,000 bu last year. Even in the Southwest carlots have been rather liberal, but if recent figures are correct, such as those published by the Robinson Elevator Co. that farm reserves in Kansas are down to about 15 million bu, we would look for a very small movement from the interior later on.

The market still suffers from lack of outside buying power, and total open contracts in all wheat futures continue at about 101 million bu, which has not greatly changed during the last few weeks.

The demand for red wheat from Chicago is just fair, and it is difficult, therefore, to have very pronounced opinions as to the future trend of our December wheat. A good many shorts have covered recently, and the open interest is declining. Considering that it costs 1 1/2¢ per bu per month storage if delivery is taken, in addition to other incidental charges, we doubt whe ther the speculator would gain much by having w heat tendered to him. For that reason we believe there will be a good deal of liquidation yet, particularly as there is quite an incentive to be able to get May wheat at a discount under December as compared to a carrying cha rge basis, as is the case in ma ny years.

Chicago stocks decreased 124,000 bu during the past week, but total supplies here are still quite large, and amount to 9,264,000 bu.

After mid-session buying became a little bit more spirited, prompted by the great strength in rye , and also by the recovery in corn. As a result December wheat made a new high for the season, showing an advance of 1 1/2¢ per bu. We feel that with any sustained strength the milling demand is very likely to improve.

Corn was quite strong, the cash basis being maintained. Primary receipts were fairly large at 1,059,000 bu. There was an increase in the visible supply of 759,000 bu, but we do not look for any big accumulations to take place due to the short crop.

We still feel friendly to oats and rye; in fact believe that all grains should do better.

UHLMANN GRAIN CO.

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CHICAGO MERCHANTILE EX.

CHICAGO November 17, 1936.

Early quotations in Liverpool were but moderately responsive o the upturns in North American markets yesterday. However at the lose they showed gains of about 1¢ per bu for the deferred deliveries, ith December wheat remaining unchanged. The nearby month is influenced y the larger supplies now on ocean passage, these having doubled since e first of August, and also probably by cheaper offerings from rgentina and Australia. There is, however, an indication of a broadning Continental demand, which Broomhall claims is tending to dispel ears of Southern Hemisphere pressure. While it is true that Italy is emporarily indifferent after recent large purchases, France seems to e in the market for wheat, and is reported to be bidding for over million bu of Jugo Slavian supplies.

When our market opened prices were firm and slightly higher ue to a bullish carryover feeling from yesterday. This resulted in ur December wheat establishing another new high on the crop.

The domestic milling business is somewhat improved, although he demand for cash wheat is not particularly active at the present ime. For the week ending November 7th we imported for consumption 50,000 bu of wheat from Canada against 2,171,000 bu the previous season. Since July 1st total imports are 19,490,000 bu, or an increase of million bu over those for the corresponding period of 1935. With innipeg prices somewhat closer to ours, this business is on a reuced scale at the moment.

As far as Canada is concerned, she seems to be getting in a ealthier position all the time, except that coming closer to Southern emisphere competition, possibly exports from there will drop off. uring the month of October actual wheat and flour exports were slighty in excess of 25 million bu; this included the 6 million bu which e imported, but nevertheless is a fairly good showing. At the presnt time total Canadian stocks are 196 million bu,which is a reduction f 7 million bu from the previous week, and 146 million bu from a year go. This includes the amount still left on farms, which is about 7 million bu. We figure that during the first 14 weeks of the Canadian rop season weekly exports averaged 5,621,000 bu. This being the case, anada has certainly a greatly improved situation compared with the ast few years.

Primary receipts in this country were 396,000 bu versus 378,000 u last year. Shipments, however, were large and amounted to 995,000 u. Stocks at Kansas City, Duluth and Minneapolis show a decrease of 79,000 bu so far this week. Canadian country marketings yesterday ere 317,000 bu versus 685,000 bu in 1935.

The action of wheat today was disappointing in face of the reat strength in corn, also much higher prices for rye, and even an dvance of 1¢ per bu for oats. However with general indifference in innipeg, where prices closed just barely steady, it seems that no reat enthusiasm exists, and the outside buying power of former years s non-existent. July wheat in recent sessions has been fully as trong as other months, short covering being a factor by operators who re disposed to await moisture over parts of the winter w heat belt. efore they take an aggressive position on the short side of the maret. At the last December wheat showed an advance of 1/8¢ per bu.

Corn, as stated earlier, was the important cereal from point of iew of fluctuations. Primary receipts were large at 873,000 bu; alost double of last week's receipts, and even slightly more than those f last year despite the short crop. There is some Argentine corn ariving right along, but traders seem unafraid as evidenced by today's uying. This is characteristic of the corn market which so often moves n one direction once it gets started.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 18, 1936.

Strength at Buenos Aires was responsible for today's advance i Liverpool. At the close prices were up 5/8 to 1 1/4¢ per bu from ysterday. The deferred months showed the greatest strength, reports bing current that good sales of new Argentine wheat to Italy had been mde again. Furthermore it is thought that recent rains in the Argentine hve possibly delayed the movement, so that harvest may be a little bit lter than usual.

Our market at the present time opens fifteen minutes later than Wnnipeg, and in view of the Canadian strength this morning, our first pices responded quickly, influenced also by the great strength in cember corn. During the last few sessions the yellow cereal has been te leader, and a good many people believe that while such very high pices exist it is bound to mean extra feeding of wheat to animals, and inally bring about higher prices.

In the meantime there is not a great deal in the news which ould be sensational for either the bull or for the bear. It is true hat wheat prices have mounted to a level where undoubtedly some caution hould be urged in ordinary times, particularly with December wheat oing to a new high on the crop again and reaching almost the $1.20 evel. On the other hand, after four years of crop failures reserve tocks have been sufficiently reduced to give us a very bullish picture; nd were it not for the fact that imports from Canada had taken place oth last year and this, we might actually have had much greater scarcity.

During the past week less Canadian wheat was taken out of bond or domestic use in this country --only 479,000 bu on which duty was aid compared with 650,000 bu last week. We now feel that total imports for the season will not be as great as many had estimated earlier. ince the first of Augus t total world shipments to Europe are 14 million bu greater than a year ago, and to ex-Europe 2 million bu less, ut with short crops abroad it is reasonable to suppose that larger akings will result after Southern Hemisphere shipments start in olume.

Primary receipts today were 367,000 bu versus 428,000 bu the revious year. Stocks so far this week at Kansas City, Duluth and inneapolis show a total decrease of 368,000 bu, which means a further hrinkage in the visible supply next Monday. This should continue all uring the winter months; in fact, until another crop is harvested. herefore with dwindling supplies and no additional pressure we continue to feel friendly towards wheat.

In taking this view we appreciate that there will be times when reat patience will be necessary. This is due to the fact that speculation is still at low ebb; despite yesterday's advance there was a hrinkage in open wheat contracts of over one million bu, and also nother million bu in the other cereals combined. It is apparent that he wave of speculation which spread to the stock market has left grains ithout much leadership, and, therefore, we must depend upon actual onsumption and removal of hedges for the guidance of our market. If, owever, our position is correct, and that finally a much smaller arryover results we feel certain that the old law of supply and demand ill bring about the proper price relationship.

There was a fair amount of profit taking toda y, and at the last ecember wheat showed a loss of 3/4¢ per bu.

We believe that in the nearby month a good many shorts covered irst, but having taken the initiative liquidating orders may now force closer parity of this future in relation to May. A good many traders ill undoubtedly want to switch long commitments, and since there are till 39 million bu of wheat open for December we can easily imagine hat the desire to get May at a discount might narrow this spread further, particularly if demand for red wheat does not improve.

Corn started very strong, but a lower cash basis found very few horts to support the market, and after many days of advances technical eactions were in order. There are no large accumulations taking place; herefore, we doubt whether setbacks will extend very far.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCANTILE EX.

CHICAGO November 19, 1936.

Markets at Liverpool closed somewhat lower, losses ranging from ½ to 7/8¢ per bu. Undoubtedly our weakness yesterday was a factor, bt also Argentine crop conditions are very optimistic now, and Boomhall's Argentine agent cabled that he now expected the exportable srplus will be 147 million bu; this we believe is about the top figure mntioned so far. Recent rains will no doubt be responsible for heavy yelds of soft wheat, but at the same time will cut the amount of high potein wheat, which in turn will mean that Canada may be called upon t furnish good quantities of stronger wheat for mixing purposes.

Another cargo of wheat was shipped this week from India, and pobably more will come forward again next week, but Black sea shipmnts were somewhat smaller and amounted to only 1,160,000 bu, while nthing cleared from Russia. The Argentine estimated shipments were 1102,000 bu, or not much changed from last year.

Our market started at about unchanged levels, and there was a rticeable lack of interest, a good many traders being disappointed tat the re cent advances were so difficult to be maintained. Yestercy again there was a shrinkage of open contracts amounting to 775,000 b of wheat, while all grain futures declined 2,560,000 bu, indicating tat instead of getting an increase in outside speculative demand, it sems to be just the other way around. This, as we pointed out yesterday, ry require more patience on part of those who believe in higher prices. e fortunate part of the story is that surpluses in North America hve been considerably cut from previous seasons; and, therefore, there no pressure at the moment either; consequently, even with a small vlume of trade no sharp breaks are indicated.

The demand for red wheat out of Chicago continues rather dispointing. With total Chicago stocks of all wheat here in excess of million bu, we would not be surprised if deliveries would be made ter the close of navigation. Elevators may not wish to take a chance carrying supplies if they cannot secure a carrying charge. There ill seems to be a fair amount of red wheat left on farms, and the deand for this grade is not nearly as good as it is for the hard variies.

With that in mind we feel more friendly to Kansas City prices, d even though supplies there are large, amounting to 15 million bu, ere must be a good quantity of wheat sold, which has not yet been ipped. Furthermore we believe tha t interior stocks in the Southwest e very small, and because of the failure of the corn crop that larger eat feeding will take place this year. A great many people in making omparisons with last year forget that at that time Kansas City was at premium of 1 1/2¢ over Chicago, and the risk was much greater than present when their market is at a pretty good discount under us. we w ould say that any miller taking delivery in Kansas City would be oing so with a minimum of risk, and probably before the season ended ould find that he had very good property, as it will be quite a time efore another harvest. With corn prices from 30 to 35¢ higher than ey were a year ago, this, in our opinion, will also make a big diference. Feeling that all of this wheat will be wanted before another rop comes on the market, our attitude as to old crop is quite different rom that of July wheat, which represents the new crop. At the moment, f course, the dry weather has caused relative strength of the July ontract, but in any case with an acreage of about 52 million acres of inter wheat, prospects are for 650 to 700 million bu, assuming that e get a good amount of moisture either during the winter in the form f snow or later on in the spring; and then with the addition of spring eat the whole picture will be changed next July.

Primary receipts today were 426,000 bu compared with 459,000 bu ast year. Stocks so far this week at Kansas City, Duluth and inneapolis show a total decrease of 558,000 bu. Yesterday's country arketings in Canada were 304,000 bu versus 676,000 bu the previous seaon.

With a few more liquidating orders new buyers could not be foun nd at the close December wheat showed a loss of 1¢ per bu, being the eakest of all futures.

Corn is apparently having difficulty also at present high rices; naturally profit taking has influenced a good many holders to ell. The primary receipts are running high considering the shortness f the crop, being almost on a parity with a year ago. With a preium for December over May any corn which is available may be rushed nto Chicago in order to take advantage of the high price.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO November 20, 1936.

Liverpool quotations were a little lower this morning, losses
1/2¢ per bushel being recorded at the close.

Broomhall states that the international wheat price is affected
better Argentine prospects, and with the good moisture which they
ave had large yields per acre are in prospect, although the quality
new wheat is not expected to be very high in protein. This being
e case a good deal of Canadian wheat will still be needed for ad-
ixture with lower quality Argentine wheat, although at the moment im-
rters abroad are keeping away from Canadian varieties due to the fact
at prices are comparatively higher than Southern Hemisphere. How-
er country marketings in Canada were much smaller, amounting to
0,000 bu yesterday against 630,000 bu a year ago, and higher prices
re registered in Winnipeg. Despite the fact that Argentine pros-
cts have been improving for several weeks now, we doubt whether sur-
luses will be extremely burdensome, because even assuming that 150
illionbu will be exported it is not likely that Australia will have
er 75 million bu to spare; and the combined amount, according to
euter, is the lowest in thirteen years, apart from the crop failures
936 and in 1930.

Howevet what is affecting the market is the very light specula-
ive trade, and again yesterday there was a shrinkage of open contracts,
hich amounted to 682,000 bu, bringing the total to 99,248,000 bu.
his clearly demonstrates that the public is not in the market on a
arge scale, and without more speculative help prices will at times
uffer.

The latest available figures show that total stocks in Canada
ave been reduced to 186 million bu. This includes all the important
ositions, even the amounts on farms and in transit, and compares with
34 million bu last year. So it will be seen that even if there is a
ighter export trade for a few weeks it will not be as serious as one
ould imagine. In fifteen weeks, starting with August 1st to November
4th, Canadian exports averaged 5,642,000 bu each week, but, of course,
his was made possible because in the same period Argentina and
ustralia together only averaged 2,509,000 bu weekly.

There is still a good deal of concern because of the dry weath-
r which continues in parts of our Southwest, although condition of
he new crop in many sections is still reported above average. We all
now that unless moisture occurs either in the winter in the form of
now or in the spring, another crop failure is obvious, and of course
good many people are already preparing for such an exigency, due to
esults during the past few years. But even according to the law of
verages more moisture is due, and, therefore, we would not want to make
ny commitments which had to be based on another crop failure. Having
his in mind, we regard the price of July wheat high compared with old
rop months, which should be affected by decreasing supplies and con-
inual removal of hedges.

Primary receipts are quite small today, amounting to only
38,000 bu compared with 485,000 bu last year. So far this week stocks
t Kansas City, Duluth and Minneapolis show a total decrease of 591,000
u. There will be a moderate shrinkage in the visible supply again
n Monday, while a year ago the decrease was small, being only 160,000
ushels.

The strength in the July wheat, due to short covering, was
artially reflected in the other months, the December closing 1/2¢
er bu higher than yesterday.

Corn showed great strength. Primary receipts were slightly
ighter than last year at this period. The open interest in December
orn while reduced still remains quite large, being a little over
1 million bu.

Rye was very strong, and oats also followed advances in the
ther cereals.

UHLMANN GRAIN CO.

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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO November 21, 1936.

Liverpool responded moderately well to our advance yesterday, losing 5/8 to 3/4¢ per bu higher. They ignored almost entirely our uly wheat strength, which does not surprise us, as we believe it is ar too early to worry about the outcome of next summer's crop during he month of November. We appreciate, of course, that after several easons of drouth that markets are a little more sensitive to news, articularly since October was a month with very little moisture. n the other hand, reports which we are getting from the Southwest ndicate that the stand and color of wheat is quite satisfactory for he time of the year; and since the plant will soon hibernate we feel hat snows during the winter or spring rains will be the important actor. Furthermore with a largely increased acreage we regard the he price of July wheat as high enough in proportion to old wheat, articularly when we consider that at the end of this season there will e a very close adjustment between supply and demand.

European markets seem to be also suffering from lack of trade, ith Broomhall reporting great inactivity. Apparently they figure hat with the upward revision of Argentine estimates, together with a robable crop in Australia of 135 million bu that for the immediate uture no great shortage will exist. They are also counting on Black ea exports in larger volume than last year due to a record crop in he Balkan states. Already Danubian shipments have been substantial, mounting to 32 million bu compared with about 24 million bu the pre- ious season, although last year Russia furnished the greatest part.

We expect that on Monday world shipments will satisfy importers' equirements. Bradstreet's North American clearances for the week are ,235,000 bu, or practically the same as last week, and one million bu ore than last year. To-date total shipments are 32 million bu larger han for the corresponding period of 1935.

Canada seems somewhat concerned over the impending Southern emisphere competition, and despite the fact that country marketings re running very small now, at 260,000 bu for yesterday versus 622,000 u the year before, they seem to feel that further developments should e awaited. There are some who think that the Government has sold utures up there in moderate quantities, and possibly if this is the ase it may take time to be absorbed. In any event with the good eduction of stocks each week pressure is bound to become continually ighter.

Primary receipts today were 492,000 bu compared to 426,000 bu ast year. Kansas City, Duluth and Minneapolis stocks so far this eek show a total decrease of 545,000 bu.

Our market was rather narrow, and although December wheat gained lightly on the other futures there was no particular pit feature. he unfortunate part of our market is that speculation does not broad- n; yesterday again open contracts in wheat declined 640,000 bu. ther grains combined also declined about the same, and apparently ew incentives are needed to restore confidence. This, in our opinion, ill come as more hedges are taken out of the market, and finally the undamental situation will assert itself in higher values. At the ast the nearby future showed a gain of 5/8¢ per bu; July wheat, hich is the new crop, closed slightly lower.

Corn started with a good upward spurt, but best prices of the ay were not maintained. There are two factors to contribute to this: irst of all, the primary receipts are running almost as large as a ear ago, despite the much smaller crop; and secondly, trade is not road enough for sustained advances at this time. We feel that with he crop so short that great curtailment will have to take place, and hile eventually there will be enough for all purposes it will mean high price which can finally bring about the proper adjustment.

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CHICAGO MERCHANTILE EX.

CHICAGO November 23, 1936.

There was no great encouragement from abroad this morning, verpool quotations suffering losses from 1/4 to 1/2¢ per bu; and this me despite the fact that world shipments were not particularly large, ounting to a little less than 9 million bu; so while somewhat larger an last year they were considerably smaller than last week. The ount of wheat on ocean passage has also decreased somewhat with about million bu afloat at present compared with 26 million a year ago.

It seems, however, that rains in Argentina have improved yields, d according to Mr. Murray, who is down there, the crop prospect is r 260 million bu, which is about the highest estimate that we have ard so far. As an offset to the improvement in the Southern Hem- phere, we call attention to the fact that there is a hard wheat short- e in France, while Germany's visible supply of wheat is significantly w; and even Italy after large purchases will probably be in the mar- t for a good deal more wheat, some people abroad figuring that she y require as much as 50 million bu this year against practically thing of consequence the previous season. This being the case we do t look for export nations to have such great difficulty in marketing eir crops, although with prices in Argentina about 19¢ per bu higher an they were a year ago, the farmer must be pretty well satisfied, d, therefore, a willing seller in view of the very excellent yields ich are promised. Because of the fact that the quality of cereals the northern part of Argentina will no doubt suffer from wet weather, d that consequently larger quantities of Manitoba wheat will be needed furnish the necessary strength for European flour, nevertheless nada seems to be a little reactionary at the moment; and temporarily may be difficult for them to hold up the present price level. We e nothing in the Canadian situation, however, of a particularly arish nature.

Sanford Evans figures that as of November 12th there was in nada remaining for export and carryover 171 million bu of wheat; this mpares with 310 million bu the same period in 1935. From that time rward a year ago until another crop was available, exports amounted 182 million bu. Of course we do not figure that the same can be peated this year with crops in Southern Hemisphere so much better, t, nevertheless, we would not consider it at all unlikely that in the weeks remaining that exports, including shipments to this country, uld average 3 1/2 million bu each week, or a total of 130 million . If this were the case Canada would finally carryover only about million bu, whereas the previous carryover was 128 million bu. This, our opinion, is conservative, and perhaps a much better showing may looked for. Wheat imports for consumption into our country since ly 1st have amounted to 20 million bu, which is 6 million bu greater an a year ago.

When visible supply figures were posted today there was a little urry in the market. The reduction amounted to 2,186,000 bu. Total ocks in various positions are 66,330,000 bu, and this is 10 million smaller than for corresponding period of last year. We believe with e large amount of feeding going on in the country that finally our serve stocks will also be down to very small proportions.

Primary receipts today were fairly good, at 668,000 bu versus 3,000 bu in 1935. Country marketings in Canada were 247,000 bu versus 7,000 bu last year; and here also we expect less pressure because the ount left on farms is not much over 42 million bu. For the balance the crop farmers' deliveries should only amount to 1,187,000 bu. per wk

There is still some apprehension because of continued dry weather our Southwest, although from all reports which we are gathering the eat plant is not suffering, although with the background of several ars of drouth unquestionably more than average moisture will be eded later to insure best results.

Outside of firmness in July wheat there were no particular buying centives, especially with weaker prices in Canada. Our December wheat s slightly weaker than May, and at the close showed a loss of 3/4¢ per .

Corn was strong at times, although the market appeared to be a ttle more two-sided. There are comparatively few shorts, and when lling orders reach the pit some sacrifice in price results. The sible supply showed an increase of 1,113,000; total stocks in the untry are a little less than 6 million bu. This is still small con- dering that the open interest in December corn is in excess of 20 llion bu. Last year at this time visible supply stocks were about million bu less than at present. It is rather difficult to form very sitive opinions at the moment.

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CHICAGO November 24, 1936.

Liverpool was slightly easier this morning, closing quotations howing losses ranging from 1/8 to 3/8¢ per bu. This was in sympathy ith w eakness in Canada yesterday, also the better prospects in the rgentine,and recent estimates of the crop have been raised anywhere rom ten to twenty million bushels. This would now mean that a surlus for export would approximate 165 million bushels,which figure s somewhat higher than the one still being maintained by Broomhall. espite these facts, importers are already bidding for new crop shipents and one of the sustaining factors today was the further purhase by Italy, the latter country having paid about $1.18 per bu for estern Australian wheat immediate shipment.

In view of the fact that freight rates are ruling firm now oreign short sellers are not inclined to be too aggressive and some eople on the other side tell us that the Liverpool market is probbly over-discounting some of the bearish features in connection with he Southern Hemisphere offerings. France is also negotiating for bout 7 1/2 million bushels of wheat, although this is thought to be ostly in Jugo Slavia where there is a fairly large surplus.

Our market opened at about unchanged figures and was little afected by any war scares --apparently a higher stock market and weakess of Liverpool wheat dispelling any such fears. There seem to e fairly large spreading operations by way of purchases of Winnipeg uly wheat against sales of Chicago July wheat. The premises seem to e sound, viz., a belief that old crop wheat in Canada of very fine uality should be worth considerably more than our new July wheat, nd at one time today the difference was only about one cent per bushel n favor of Winnipeg. Of course if this country were to have another rop failure tables would be turned, but it is not very likely that we shall again be on a domestic basis after the three short crops which we have had. There is no doubt, however, that more than usual moisture will be needed,and this is particularly true in parts of the outhwest where the ground is quite dry and where ample snow covering is almost a necessity if we are to get good results next year. For the present we would say that the crop looks pretty good because germination was satisfactory and with the large acreagethere is nothing too discouraging in the picture. Of course after the sad experiences of past years it does make a great many people more fearful.

As yet we do not have very much speculative help in the wheat market; total open contracts are still less than 100 million bu. Even last year when speculative transactions were on a reduced scale the open interest was 127 million bu, which shows the general indifference at the present time.

Primary receipts today were 431,000 bu, or practically the same as last year. Kansas City, Duluth and Minneapolis stocks show a decrease so far this week of 243,000 bu. Country marketings in Canada continue light, and yesterday were only 223,000 bu compared with 661,000 bu a year ago. Chicago contract stocks of wheat decreasedlast week 184,000 bu. The total is a little in excess of 3 million bu, practically the same as at the corresponding period of 1935.

There was very little feature to our market, changes were unimportant except that July wheat continued to gain on other months because of dust storms and continued dry reports which came from the Southwest. At the last December wheat showed an advance of 3/8¢ per bu.

Trade in corn was not particularly active; spot corn is coming closer to a delivery basis, although stocks in Chicago are very small considering the open interest. Yesterday December contracts showed a slight increase. As we view the immediate situation it depends mostly on whether shorts or longs take the initiative.

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CHICAGO MERCANTILE EX.

CHICAGO November 25, 1936.

Liverpool followed more or less our yesterday's advance, al-
ough most of the strength was in the December future, which closed
1/4¢ per bu higher.
Undoubtedly the unfavorable political news in Europe was an
fluence, and not only that, but Italy bought two additional cargoes
wheat, and this seems to be stimulating a distinctly better demand
Liverpool, with millers showing more interest. It was also claimed
Broomhall that shorts in the British market had covered because of
ospects of more rain in the Argentine, which, if it occurs, will cer-
inly delay the movement, and might even hurt the quality.
It seems that foreign traders had been rather bearish in their
ews, and because of the larger estimates from the Argentine, the
ief topic of conversation abroad was the ease with which importing
tions would be able to secure their requirements. However, they
obably did not figure on the large Italian business, where fully 20
llion bu have already been purchased, and at least as much again
ll probably be needed. So we feel there will be more or less keen
mpetition for Southern Hemisphere offerings, particularly as the
ited States is not only out of the export market, but continues to
ke a little Canadian wheat practically every week.

Since August 1st world shipments to Europe are 18 million bu
rger than they were last year; breaking this down still further we
nd that the United Kingdom has actually taken 6 million bu less, so
at the Continent has really absorbed about 24 million bu more.
-European countries, including the United States, have taken about
million bu less wheat than a year ago, but considering that we have
ken about 3 million bu more Canadian wheat, other countries have
tually taken 6 million bu less than in the previous season.
Most of the feature in our market consisted of changing orders
various pits. The longs on one hand seem to be willing to change
er their December contracts to May inasmuch as they will be getting
e later month at a discount of about 2¢ per bu. On the other hand,
orts and hedgers had apparently noticed that December liquidation
s not particularly large, and fearing possibly that deliveries
ight not be made until after the close of navigation, there was also
willingness to change over some of their contracts, although it was
a disadvantageous basis.
Considering the poor demand for red wheat one naturally wonders
ether or not the elevators will not finally find the pit the best
lace to dispose of larger quantities, but with some uncertainties
till existing, shorts have taken the initiative; and this has held
e nearby delivery at a fair premium over May.
Primary receipts today were light, at only 363,000 bu compared
ith 605,000 bu a year ago. So far this week stocks at Kansas City,
luth and Minneapolis show a total decrease of 395,000 bu.
The Canadian situation is becoming sounder as marketings are
a very reduced scale now, yesterday farmers' deliveries being only
7,000 bu versus 616,000 bu last year.
The market had some difficulty in maintaining its advances, and
still find, because of speculative inactivity, great handicaps
nfront us. The open interest in wheat, which had increased a little
r one day, receded again, with total contracts only 98,925,000 bu.
ere seems to be more pressure on July wheat, which is the new crop
nth, sales being made here against purchases in Winnipeg; and pro-
ded we get just an average crop, July wheat appears to be very high
mpared with old crop futures, as well as Winnipeg July wheat, which
s also an old crop month.
At the last changes were not important, and December wheat
owed an advance of 3/8¢ per bu.
Corn was weaker almost from the start, and the nearby month
ffered losses compared with other futures. Yesterday there were
till 21 million bu of December corn open, which is extremely large.
wever cash corn has a somewhat easier tone, and this brought some
iquidation today which tended to narrow differences.

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CHICAGO MERCHANTILE EX.

CHICAGO November 27, 1936

Foreign markets were somewhat higher during the Thanksgiving liday and this morning further advances were registered in verpool with the close showing great strength, as much as 3 3/8¢ r bushel for December wheat. Traders in this country immediately ied to find out why there should be so much excitement abroad and nally Broomhall gave the explanation, claiming that the strength s due to active covering, and this was influenced by the purchase seven Argentine cargoes by Italy and there was also a large busi- ss in the United Kingdom in new Argentine wheat. This being the se, there was immediately greater confidence here and our prices re sharply higher, some quotations showing almost a 2¢ advance at e opening. There had also been a report of frost in southern enos Aires Province; but whether this will do any damage is still oblematic. In any event, Broomhall's Argentine agent has made a etty thorough inspection trip and still finds that the wheat plant generally in excellent condition, and he now expresses the opinion at the total exportable surplus this coming season may reach 165 llion bushels, provided weather conditions remain favorable.

Black sea shipments for the week amount to 1,224,000 bu or about e same as last year. Argentine shipments are down to 964,000 bu., ile the contribution from Australia was 1,146,000 bu and India 6,000 bu. The combined clearances are not large, but of course erything will change shortly after the Southern Hemisphere harvest.

We have mentioned in our letters recently that due to the wonder- l quality of Canadian wheat, we thought large quantities would still needed for mixing purposes, and apparently we were correct in this rmise as it was claimed that about 2 million bushels of Canadian eat had been worked over night. From all appearances, Canada is tting in better shape as time goes on. Actual exports from Aug. 1st Nov. 21st, including the quantities shipped to the United States, ount to nearly 91 million bushels or say, in sixteen weeks, on an erage Canada has exported 5,675,000 bushels weekly. Of course no- dy expects that they can continue at this ratio, but nevertheless, en granting that the business from now on will be on a diminished sis, they should finally have their carryover down to very moderate oportions. Were it not for the fact that the government agency is obably taking advantage of strong markets to dispose of its long ldings, we think the Winnipeg market would undoubtedly do comparative- better. This should make no difference in the final analysis and erefore we remain friendly to Canadian prices. Marketings yester- y were only 148,000 bu compared to 703,000 bu last year, indicating st pressure from now on will hardly be felt.

Our primary receipts were 534,000 bu compared to 773,000 bu ast year. So far this week stocks at Kansas City, Duluth and inneapolis show a total decrease of 411,000 bu. This undoubtedly ll mean a fairly good decrease in the Visible Supply on Monday; year ago there was also a shrinkage, which amounted to 932,000 bu.

Late in the session there were reports of possible negotiations Spain between the Rebel and Loyalist forces, and with a more eace-like appearance in sight, some liquidation took place so that st prices of the day were not maintained. At the last December eat showed an advance of 3/4¢ per bushel.

Corn trade was a little more active, most of the fluctuations, owever, came in the near-by delivery with a fair amount of liquida- ion and also some changing to later months. This narrowed the pread considerably as compared with previous sessions. The open nterest is still very large, and future developments will depend omewhat upon the attitude of holders. Should they decide to take dvantage of the December premium, it might put December and May orn on a closer relationship, although with the crop so short, we till feel that some premium for the near-by delivery may be warranted.

Oats and rye were little changed from the previous session, much f the trade consisting of switching between various trading months.

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CHICAGO MERCHANTILE EX.

CHICAGO November 28, 1936.

Great improvement has been noted in export circles, and business during the past few sessions was on a big scale. This shows how oft times a good many things are discounted in advance. It seems that all Europe was nervous about the impending pressure from Argentina and Australia, and now that harvesting operations have become active in the latter country, with fully as large a crop as had been expected earlier, there appears much less excitement than a few weeks back.

Liverpool, as a result of the improved business, showed substantial advances today, closing prices being 1 1/2 to 1 3/4¢ per bu higher. This action ignored the comparative quiet in North America yesterday, but it seems that Italy is still in the market for further supplies, and has purchased two more Australian cargoes.

Shorts abroad were said to be covering rather actively because of the fact that the expected new crop pressure may never develop , or at least in such size as many had thought. Furthermore freights remain very firm, and this means that the delivered price in European markets is likely to be helped.

Due to the restored confidence abroad there was a better feeling in our market also, particularly when Winnipeg lead the upward march. As a matter of fact, their action was very encouraging, because of the fact that Governmental agencies are undoubtedly reducing their long commitments, as the market shows its ability to absorb such sales. Finally, of course, it is likely that all of the accumulated surpluses from past crops will be disposed of, which will mean a healthier situation in the long run. Canada, however, has one advantage in selling its wheat to England: namely, that the preferential duty is about 6¢ in her favor as compared with supplies which are being bought in the Argentine.

Primary receipts today were 340,000 bu versus 400,000 bu last year. Shipments, however, were quite heavy today, amounting to 704,000 bu. So far this week stocks at Kansas City, Duluth and Minneapolis show a total decrease of 470,000 bu. Canadian country marketings yesterday were 155,000 bu against 633,000 bu a year ago.

Many people are wondering about deliveries on the first of the month, and, of course, it is difficult to have very positive opinions. We feel that with all the nearby deliveries firm tenders will be very light, at least until after the close of navigation.

At the last December wheat showed an advance of 1 1/4¢ per bu.

Corn was also quite strong, and sentiment was improved, probably because of the more optimistic feeling in wheat.

The same was also true with regard to other cereals, which closed somewhat higher.

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CHICAGO MERCHANTILE EX.

CHICAGO November 30, 1936.

Liverpool wheat cables were again very strong, closing 2 1/4¢ per bu higher, which puts their deferred futures on new high ground. Broomhall reports that short covering was active due to the fact that the British Government contemplates the possibility of accumulating wheat reserves for food protection against possible wars. This, despite the fact that the amount on passage is at a high point, being 38,800,000 bu against 37,904,000 bu last week. Italy has also been a good buyer. Argentine wheat is now being quoted at 90¢ per bu for February delivery at Buenos Aires.

This week world shipments were again large, amounting to 10,581,000 bu, making a total shipped since August 1st, or in seventeen weeks, of 185,724,000 bu. Shipments from Canada have been running very heavy, she alone supplying practically all of the 5,943,000 bu cleared from North America during the past week, and averaging for the past 16 weeks 5,675,000 bu weekly. This would leave about 165 million bu for export and carryover for the balance of the season. The exportable surplus from the Argentine and Australia is estimated now around 250 million bu, of which 80 per cent, or 200 million bu, might be shipped by August 1st. Using Broomhall's estimate on world import requirements of 540 million bu, and figuring that world shipments so far have amounted to 185 million bu, it would leave approximately 355 million bu still to be shipped. Deducting the 200 million bu, which can be furnished by the Southern hemisphere would mean that Canada and sundry countries would be required to furnish 155 million bu up to August 1st. As the bulk of this must come from Canada it can be readily seen that her final carryover will be down to very small proportions.

We have been calling attention right along to the closely adjusted supply and demand situation, and with this condition now asserting itself, we expect to see a continuation of firm markets.

Primary receipts of wheat today were 476,000 bu against 832,000 a year ago. Country marketings in Canada are getting quite light, amounting to 189,000 bu versus 674,000 bu a year ago. Sanford Evans estimates that the balance of wheat to be marketed from November 26th to August 1st, 1937, is 41,230,000 bu;so we do not anticipate much pressure from this source.

There was a decrease of 492,000 bu in the visible supply this week, bringing the total now down to 65,838,000 bu against 75,434,000 a year ago. We presume that the decrease would have been more pronounced had it not been for the Canadian wheat in this country on which duty has been paid, and which is supplementing our supplies. As of November 21st, the total amount of Canadian wheat imported into the United States on which duty had been paid this season was 20,597,000 bu. Stocks of wheat in Chicago decreased 1,182,000 bu.

Trading in our market has been more active, but a good deal of it has been the changing of commitments from December to the more deferred months. The total open interest in wheat Saturday decreased approximately 800,000 bu. Our market responded to the increased activity abroad, and at the close December wheat showed an advance of 1/2¢ per bu.

Reports are still coming in of lack of moisture and dryness throughout the Southwest, and at one time July was leading the advance. Of course, with the experience of the past three years, it can be understood how some apprehension can be felt, but we still feel that it is too early to figure on crop scares as timely snows and spring rains can still assure us of good yields. Some of the map readers see signs of the possibility of moisture developing in the Southwest, and this led to an easing in July.

Corn also showed strength. There was an increase in the visible supply of 1,296,000 bu this week. The open interest in December corn remains quite heavy, and it is still a question of whether the longs or the shorts will liquidatefirst.

Tomorrow is the first day of delivery on December contracts, but there was no wheat, corn or rye tendered today for delivery tomorrow.

Rye was also quite strong, but oats showed practically no fluctuations for the day.

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DAILY MARKET LETTER

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CHICAGO MERCHANTILE EX.

CHICAGO December 1, 1936.

Returning this morning from a seven weeks' trip to Europe here the writer visited important grain centers, he finds that the situation had developed much as he expected before his departure. The important grain merchants at Paris,, London, and Liverpool are almost nanimous in the belief that the inherent foundation for the wheat structure is sound. Supply and demand are so closely adjusted that there is no likelihood of any great accumulation at any time and importations of wheat can be readily sold as fast as exporting countries are willing to part with the grain.

Crop prospects in both Argentina and Australia had improved in the meantime, but the shortage of European crops made itself increasingly felt, so that estimates regarding consumption had to be continually raised. Several countries which used to be large importers in former years but had been practically out of the market last year, have been very important buyers, chiefly among them Italy, which might take this year 60 to 70 million bu, compared with an insignificant amount in 1935. Greece, Belgium, even England, will take larger quantities; and France, an exporter last season, will be compelled to buy foreign wheats in moderate quantities. particularly as her colonies, such as Morocco, had very poor crops and were even compelled to import certain grades, while they had been exporters in moderate quantities almost yearly.

Furthermore, the English government for the first time in its history has adopted a policy which was passed in the House of Commons to store wheat in peace time for an emergency. No definite plans as yet have been submitted by the head of the Agricultural Department; however, the consensus, judging from the debates, was to the effect that at best the reserve should only cover an emergency. Nobody can tell how long a period of emergency would last, but should England lose control of the situation either by the seas or by air, then of course no matter how large the reserve would be it would not cover the entire situation, and fulfill its purpose. Therefore, the probabilities are that the reserves to be accumulated will be only in moderate quantities, say as a guess, about two months' extra, which would be equal to 40 million bu. This in itself is not a very large quantity, but yet would be a strengthening factor. More than this, however, is the implication how great is the possibility of another conflict. Everybody talks about it, and it is almost depressing how often one hears the word "war". Nobody dares to make any predictions; nevertheless, nobody really believes that a war is in sight in the immediate future, but with everybody arming to the teeth, the danger naturally is increasing. The general feeling is that should war break out at any time during the next two to five years America would only profit by it temporarily, as, of course, an impoverished Europe would have its tragic consequence even on the United States. In the meantime everybody considers this country as the safest place for hoarding or investments.

The wheat market early today was largely influenced by two occurrences which had a different effect on the various futures. The fact that no wheat was delivered on December contracts had a strengthening effect on that future. On the other hand, some very moderate snows in the dry belt, with indications for more, had a weakening effect on the July wheat, which declined in accordance with this news. May wheat changed but little, being largely influenced by the strength in December wheat, with the natural reasoning that if the old wheat is scarce now it will be more so by the end of the season.

The fact of the matter is that contract stocks in Chicago are down now to 2,673,000 bu with no prospects in sight for any additions. In fact the chances are that they will be reduced right along so that the amount left next May for delivery probably will be very small.

(O V E R)

It is true there are still 4,227,000 bu in private elevators, and the total amount of wheat in Chicago is 7,525,000 bu; but this compares with 9,104,000 bu last year when the situation in May was also very tight.

Primary receipts were extremely small today --only 197,000 bu against 431,000 bu last week, and 356,000 bu a year ago. Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 330,000 bu. Unless all estimates on the crop were wrong, we belie that primary receipts after the turn of the year will be extremely small for almost six months; our visible supply will continually decrease, hedges will have to be removed, and with such a situation no great declines are in sight at any time, but a gradual hardening of prices may take place.

Should the moisture situation gradually be somewhat relieved i the Southwest, July wheat might look very high, because after a numbe of crop failures in succession, a much larger crop this coming year on an increased acreage would present a different situation next July and thereafter.

At Liverpool a similar situation seems to exist; the nearby future is very strong, advancing today 1/4¢ per bu, while the more-distant months declined as much as 3/4¢ per bu. English millers are still hoping that at one time or another there will be pressure from the Argentine wheat crop when it starts to move in earnest.

Toward the last hour of the session tremendous sales from Chicago were reported, amounting to at least 500,000 bu, and probabl more. This caused an immense amount of buying and short covering, chiefly the nearby future, but the others benefited by it.

The bullish feeling was also transferred to corn, rye and oats, all of which closed considerably higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO December 2 , 1936.

Liverpool wheat futures advanced overnight from 2 3/4 to 5/8¢ per bu, which is quite sensational for that market where traders s a rule are not as easily excited as they are over here. However, as e pointed out yesterday, the impressions gained abroad by the writer ere to the effect that the wheat structure is inherently sound; and ow many other factors have to be considered.

In Europe today every big business man looking into the future s not only concerned about the daily occurrences in his line of trade, ut also, outside of the economic situation, he has to consider the olitical horizon, and possible disturbances in the financial system. efore the great war the heads of Governments were mostly experienced iplomats and statesmen, but at the present time, with Russia, Italy, nd Germany in the hands of dictators, who might be willing to take gamble, and who are more or less adventurous, the danger that their octrines might spread further has greatly increased. Spain, already s more or less following suit; France is fearful that she might be fflicted, and finally who can say whether the changed opinions which re being preached now will stop at the frontiers. Considering that taly, Germany, and Japan are determined to increase their territories, hich could only be done by force, naturally increases the danger of onflict, and it is not surprising if from time to time the wheat arket will be influenced by war scares. Fortunately, Italy and Germany t the present time are so poor that it is difficult to imagine that hey would provoke a conflict with the richer countries which have so any more resources. On the other hand, some individuals believe that vith the thousands of airplanes possessed by each nation, a decision ight come very quickly; and as long as the great differences of the haves" and"have-nots" cannot be adjusted peaceably, perfect confidence s not likely to be restored for some time.

There is also the financial side to be considered. England, which has neglected to arm for a long time in proportion to the other ations, is trying to catch up now; naturally her expenditure budget will have to be largely increased. England's trade balance at the present time is about 1 1/2 billion dollars against her, but with her large interest income and invisible profits, such as shipping, insurance, banking, etc., she probably has a sufficient foreign income to offset it. Yet with rising prices in commodities some far-seeing individuals believe that finally it might be difficult for her to keep sterling at the present price; should there be any sharp decline nobodycan tell what the repercussions would be in this country.

This all leads to uncertainties, and commodities, at least speculatively, should profit from it.

Forgetting for the moment the foreign situation and all the other possibilities above mentioned, the chief encouragement finally must come from the domestic situation.

Primary receipts were very light again today --214,000 bu which compares with 700,000 bu last year; stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 827,000 bu. Inasmuch as there is bound to be a big decrease in Chicago stocks, we look for a very fair decrease in the visible supply again on Monday. With the heavy primary movement which has taken place already, considering the size of the crop, we look for receipts after January 1st, for the next six months, or until the new crop moves to market, to be extremely small.

There were some more snows reported overnight; while so far the moisture which has fallen is quite inconsiderable, yet it will do some good at places. We feel that it is too early to be alarmed about the dryness, of course, always provided that we will have at least normal rains later in the season.

December wheat remains very tight, and while the difference with May did not show a considerable change, yet there is a great deal of apprehension on part of shorts. At the close the market showed an advance of 1/2¢ per bu for both the December and the May future.

Rye kept rather firm in sympathy with wheat, but corn declined; evidently the advance yesterday had been too much for one day, and a natural reaction was due. Primary receipts of corn are not very large yet, in spite of the attractive prices, being only 580,000 bu for the day against 779,000 bu last week.

Oats kept steady.

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CHICAGO December 3, 1936.

Liverpool wheat cables were very weak today, closing at a de-
ine of 1 1/2 to 2 3/4¢ per bu, the largest loss being in the May
ture. This was caused by the news that the Argentine government is
scontinuing the minimum prices previously established. We presume,
wever, that the political situation in Europe also had something to
with it, as English stocks were lower; and we think that Mrs.Simpson
d a great deal to do with the general weakness abroad. However, we
lieve that the English Empire will settle this question satisfactorily,
nd, therefore, should not be a bit surprised to see stronger cables
gain tomorrow.

Broomhall again raised his estimateof world requirements, making
em about 556 million bu, or 51 million bu larger than last year. This,
espite the fact that non-European countries on account of the high
ices might take 16 million bu less. He figures that the United
ingdom alone will take 244 million bu of the total importations for
ll of Europe of 436 million bu, or almost 60 per cent. This calls
ttention to changed conditions in all Continental countries. He
igures that Italy will take 56 million bu compared with 14 million bu
ast year, but this is due entirely to a very poor crop, and naturally
ould be changed again in another year if weather conditions were favor-
ole in that country.

The poverty of some of the European countries, and, therefore,
diminished purchasing power, can easily be seen in the quotations of
heir securities in international markets, showing how poor their
redit is. Italy's 7 per cent bonds in New York, for instance, are
elling at a price which would earn the investor almost 9 per cent.
apan's credit is on a basis of 6 1/2 per cent; Poland about 10 per cent
r more. Of course internally the governments can borrow cheaper but
his is partly on account of forced loans and other compulsory meas-
res. Germany's credit is practically gone, and even France has to pay
onsiderably over 5 per cent on her internal loans. Should peace pre-
ail for any length of time, of course, each country could recover,
articularly as world trade is improving and as so many people are
nder-nourished abroad wheat consumption could greatly increase. How-
ver, whether this can be accomplished in a short time or will take
ears, nobody can tell.

In the meantime, the small supplies this year on account of
he poor crops are likely to be all wanted. Argentina's latest es-
imate on her exportable surplus is now above 150 million bu, which
s about average, and undoubtedly can easily be taken care of.

Domestically the situation is getting sounder all the time, ow-
ng to the small primary receipts, which today amounted to only 290,000
u compared with 450,000 bu last year. Shipments were quite heavy,
ansas City decreasing so far this week 244,000 bu and Duluth 1,386,000
u. Part of this will probably show up in Buffalo; but nevertheless
e expect a good-sized decrease in the visible supply on Monday. We
lso think that these decreases will keep up until another crop comes
n the market.

During the session the December wheat was again the star per-
ormer; and it is quite evident that some big lines must be held by
hose who are not yet ready to liquidate, or else the market could not
emain so tight. It was a great help to the other futures, and both
ay and July wheat advanced, although not in proportion.

We are inclined to think that tomorrow's cable will come much
tronger, and with no pressure anywhere markets might go still higher,
articularly as there seems to be an inflationary trend in all com-
odities.

Corn receipts are very fair, at 655,000 bu. The first tenders
n December contracts were made today, which had quite a depressing
ffect on that future, as we doubt whether anybody is really anxious to
ay for very large quantities. With colder weather predicted in the
est there might finally be fair quantities of corn come on the market,
as the quality would improve.

Oats showed but little change, being largely influenced by the
weaker tone in corn, but rye showed a bigger gain than any of the other
cereals.

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CHICAGO December 4, 1936.

Those traders who were anxious last night as to whether the un- pected wheat strength at the close of yesterday's session could be aintained, felt greatly relieved this morning when Liverpool cables ame extremely strong, and while the full advance was not maintained inal prices showed an advance of 2 1/4 to 2 1/2¢ per bu. This was l the more encouraging as it was accompanied by large buying orders or cash wheat and export sales fromCanada were variously estimated rom one to three million bu overnight. As absolute figures are not btainable, we are inclined to believe that the higher figure was much an exaggeration, but nevertheless the business was very big.

As there was no new political news to account for this change views, it must be entirely accredited to the greater realization of e actual sound situation for the old wheat. This, despite the fact at the crop prospects in both Australia and Argentina are fully main- ined, and the time is fast approaching when the actual wheat will ome on the market in steadily increasing volume until next March when sually maximum receipts are received. This, however, causes no great are, as it is fully appreciated that the importing nations have to epend on such a large scale for their requirements from the Southern misphere, and that from now on their reliance on Canadian supplies ll have to be on a declining scale.

Farmers' deliveries in Canada are dwindling very fast, being only bout 120,000 bu compared with 530,000 bu; and farmers' small holdings ustify the belief that from now on there will be no appreciable pres- ure on their part until another crop will be harvested. In the mean- ime it is estimated that as of December 2nd surplus stocks remaining n all positions are about 159 million bu compared with 299 million bu ast year, or 140 million bu less.

This season the Canadian movement was a very early one as or- inarily new wheat is not available in Canada before September 1st. his means that new receipts are not in sight for practically nine onths. For 39 weeks a weekly export of four million bu of wheat ould take care of all their stocks. Inasmuch as the estimated orld's weekly requirements are close to 10,400,000 bu, it is evident hat the other exporters will be called upon for very large quantities ractically every day. However, while this makes a very close adjust- ent, in consequence of which old wheat will be very scarce at the end f the season, the situation will not become so acute that fancy prices ompelling great curtailment in consumption are likely. On the other and a decided break is certainly not in sight, and in our opinion, not t all likely. The most that may occur, we believe, will be temporary eactions on an over-extended position, and this might easily happen fter the sharp advance we have had. For instance, if the drouth situa- ion in the Southwest should be largely relieved it would have a very epressing effect on July wheat, which in turn would affect the other utures. We, therefore, feel that we are justified in using the word caution", which, however, should not be misconstrued that we have ost our faith in good values for wheat for the balance of the season.

The domestic situation remains very strong. Primary receipts ere larger today --489,000 bu, compared with 270,000 bu last season. he chief increase comes from the Southwest, the only important erritory which has raised fair-sized quantities this year, but we are dvised that this is due largely to farmers selling their wheat which as stored, and that new deliveries after a week or so will be very mall; in fact we cannot figure out that it could be any different, as he farmers' stocks recently given by the government justifies the elief that the holdings now must be reduced to an absolute minimum. his is also being confirmed to us by dealers in the Southwest, who laim that in a very short while they will close their elevators as he bulk of the business is practically over at many stations.

The open interest is declining very heavily, over 4 million bu esterday, showing that many holders are willing to take their profits, nd the market might be temporarily overbought.

The final quotations in all cereals showed comparatively small hanges with yesterday.

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CHICAGO December 5, 1936.

Inasmuch as speculation is largely based on analyzing future situations, even quite far ahead, we consider that the rains or snows which have visited the western wheat belt are quite important. This particularly so as the daily, as well as the weekly forecasts, are quite good for a favorable outlook for more moisture. The Weather Bureau predicts much unsettled weather with frequent precipitation, etc., for the upper Mississippi and the lower Missouri valleys, also for the north and central great plains. Of course we are aware that the lack of subsoil moisture is tremendous, and that moisture so far could not give any pronounced relief, but at least it gives hopes to those who think good crops are a blessing to a country; and that with the large acreage which was planted, the possibility, if not the probability, exists that next year's crop might be a normal or a large one; or in any case, way in excess of what was harvested in 1936. Should it turn out later in the season that the wheat farmer feels satisfied with prospects on his farm, he will be inclined to sell practically the balance of his holdings, so we shall have a very small carryover on farms, and an extreme scarcity of the old wheat might be avoided in this way. Naturally the miller, the baker, and every consumer, on a large scale, would act in the same way, letting his stocks run down, knowing that he can buy the wheat cheaper when the new crop moves. This is plainly indicated by the big discount at which July wheat is selling compared to May.

It, therefore, becomes all the more important in order to judge the probable value of the old wheat later on, and to have as nearly an accurate estimate of probable supplies from now on, or for approximately 6 1/2 months or more.

Fortunately for the consumer Argentine and Australian crops turned out very well, and the Southern Hemisphere together with the Danubian countries probably could supply, until the new crop moves, 7 to 7 1/2 million bu weekly to importing countries, who approximately will need 10 1/2 million bu, but might possibly take more. Much will depend upon how willing a seller Canada would be. That country last year had at this time for sale and carryover 299 million bu, and on August 1st there were only 128 million bu left. Consequently she shipped 171 million bu afterwards, while at the present time she has only 159 million bu left. It is certainly not to be assumed that Canada will rid herself of the last bushel by August 1st, 1937, particularly as sometimes her crops are late and are really not available until about September 1st, although she starts her crop statistics on August 1st. All this would indicate a rather tight situation later on, but not in such a way as to create extreme fears that a really acute scarcity would come about.

At the present time there is a very heavy movement in the Southwest considering the size of the crop, and the small amounts of wheat which are supposed to be left in farmers' hands. Nevertheless, total primary receipts are only moderate --344,000 bu today compared with 510,000 bu last year. It is assumed that the high prices which could be realized lately have increased the desire of the farmer to sell his holdings; if this is true the movement during the next six months ought to be very light. Our visible stocks ought to continue to decrease steadily and give some stability to prices. On the other hand, there seems to be a tendency to realize profits. The open interest which on December 1st was 100,241,000 bu has now been reduced to 94,617,000 bu.

Liverpool cables were construed as rather strong by the trade, as they had a very sharp advance the day before and lost comparatively very little in spite of the fact that our market had closed lower than the day previous. The declines on the various futures amounted to 1/8 to 5/8¢ per bu.

Naturally the prospective tightness of supplies will be felt only much later on. Available stocks at the present time are still very fair. Therefore after the sharp advance we had we might see some temporary reactions unless the milling business should improve; and

(OVER)

this is not likely to come until after the holidays.

It was also reported today that the 600,000 bu of cash wheat which recently had been purchased by one concern from several elevators and which at the time were presumed to mean actual sales to consumers, were nothing but a transaction where one party believes in higher premiums for the red wheat and others thought they were high enough. The wheat, as we now understand it, had never been sold to consumers, will not leave the city for the present, but will be stored in boats and will have to be merchandized later. This creates an entirely different situation than if millers were anxious at the present time for the red wheat, and buying it because they can sell flour against it.

The cash demand everywhere remains rather dull, and the Southwestern markets are more influenced by the precipitation than ours. At the close the wheat market was practically unchanged, and the other cereals also did not show any decided trend either way.

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CHICAGO December 7, 1936.

Gold production in the United States during the month of October s the largest in any month since the post-war period. Russia's pro- ction is increasing so fast that she is supposed to be second in the mount mined this year by all nations. Canada is increasing her develop- nt of gold mines to such an extent that the prediction is made that thin five years her mines might yield equal to $350 million yearly, ich is only a little less than the amount produced by South Africa the present time. This year's world gold outturn of considerably er a billion dollars is so large that ten years' yield such as this uld probably give us a further accumulation equal to all or more of e gold stored up from the beginning of Christianity until 1848, when old was discovered in large quantities in California. This latter riod was about 50 years after the discovery of steam, when world ade had already assumed very large proportions. However, gold con- inued to be one of the best mediums available for the interchange of ade on account of its comparative scarcity, among other qualities, d trade had increased as fast as production.

Now we have arrived at a period when at least one country: namely, witzerland, claims she has too much gold and contemplates measures to top its further influx. The United States also is no longer anxious o increase her stocks of this metal, which always was so precious, and ould rather see it decrease than increase to prevent possible infla- ion. We doubt whether there ever was an era in history when even the ichest countries preferred to lose gold rather than increase their oldings. The question arises whether gold will be exempt from the ate of every other commodity which falls in value when supply exceeds he demand. Of course as long as the price of $35 an ounce is estab- ished and we are willing to buy any quantity offered at that price, old itself cannot decline. But what may happen, and perhaps has al- eady happened in a moderate way, is that other commodities which are ot as plentiful are considered more desirable and will rise in value. hat is the kind of inflation which has always followed periods of reat accumulation of gold, and this may be no exception; and it is ifficult to determine what share in the advance of prices generally s attributable to this changed condition, and how much more might ollow.

If this reasoning is correct, there is no doubt that in course f time wheat values also will be on a different basis from that in the ast; a matter which always has to be considered by a good trader, lthough it should never be forgotten that such things work very slow- y, and there are always exceptions provided there is an extreme over- bundance in any one commodity compared to the demand.

Liverpool wheat cables were very strong before our session opened, ut the full advance was not maintained; at the close their old-crop utures advanced from 1/8 to 5/8¢ per bu, while the July wheat declined ¢ per bu. It will be very difficult for European countries to obtain ny new wheat earlier than July, but yet they might possibly do so if he United States crop would be a very large one and an early one.

It is now confirmed that the Italian crop turned out much smaller han the earlier estimates; she continues to buy wheat from the rgentine on a fairly large scale, and she has made further reductions n the w heat tariff according to the Bureau of Agriculture's economists his all naturally had an effect on the views of English millers, who ad been holding back right along, but are compelled to come into the arket now. World shipments seem to have been well absorbed, being 1,671,000 bu this week compared with only 8,361,000 bu same period ast year. The amount on passage is now over 39,000,000 bu against a ittle less than 26 million bu in 1935; and yet there is a total bsence of pressure in cash wheat.

Our market opened considerably higher, in sympathy with the trength abroad, and Winnipeg also registered much better prices.

(O V E R)

The Canadian situation appears to become sounder all the time; supplies are being absorbed, farmers' stocks are supposed to be reduced to 40 million bu, and total marketings for practically four month amount to 133 million bu. Therefore, in twice that period, or in eight months less than one-third of that quantity can possibly come forward from farms. Importations from Canada are also decreasing; during the week ending November 28th they amounted to only 248,000 bu versus 1,295,000 bu a year ago. Total importations for domestic United States consumption for the first five months are 20,844,000 bu; in all probability this included at least 4 to 5 million bu of feed wheat, and only the balance could be used for human consumption.

The amount of moisture in the Southwest was quite fair during the last three days, but, of course, unless more would follow, anxiety about the outlook of the crop will continue. However, in the meantime, it will do some good, and had a depressing effect on the July future early. To show the importance of moisture in the Southwest, we wish to point out that the United States Department of Agriculture estimates that the average precipitation during the month of November was the least during that month in fifty years, with four exceptions. When it is considered that previous to that period there was a lack of subsoil moisture this season, the importance of further precipitation is quite plain.

Primary receipts of wheat were larger today, being 654,000 bu compared with only 473,000 bu last week. It seems that southwestern farmers are well pleased with the price, and are willing to let their wheat go rather than to hold it. So we assume that the movement after the turn of the year will be much smaller. The visible supply shows a large decrease, amounting to 3,379,000 bu against a decrease a year ago of 282,000 bu. Total stocks are now 12,693,000 bu less than they were in 1936. Under these circumstances, there is no pressure, and there was a gradual hardening of prices during the session. At the close our market was about 1 1/8¢ per bu higher.

Corn receipts were quite large considering the size of the crop, and stocks are also increasing, the visible supply being now 8,205,000 bu versus only 5,400,000 bu in 1935. There is still a large open interest in December corn, which, at least for the present, and until heavier deliveries are made seems to hold up the market. Also this colder weather should bring about increased consumption; but on the other hand, it puts the corn in better condition to make contracts and deliveries.

Oats were very strong and seem to be the cheapest cereal. Rye also advanced.

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CHICAGO December 8, 1936.

The first cables this morning before our session opened were a ittle disappointing inasmuch as they did not fully reflect yester- ay's strength here at the close. Furthermore, estimates on the rgentine crop were considerably higher than those given to the trade, nd were responsible for a somewhat easier opening. However, during he session strength developed again abroad, Liverpool futures gaining rom 1 to 1 1/4¢ per bu, and it was reported that the export business n Canadian flour during the last week was the largest done in any eek for a considerable time. Exports of wheat and flour from Canada uring the week ending November 27th are 5,659,000 bu, and total since ugust 1st is about 24 million bu larger than during the same period ast year despite the fact that the crop was considerably smaller.

Italy continues to take large quantities of wheat from the rgentine. It seems almost every country in Europe has been waiting o obtain its supplies when the Argentine crop moves, and with such ompetition now, instead of merchants at Buenos Aires pressing their ales, the buyers are getting very anxious to fill their requirements, aving so long delayed laying in any reserve stocks.

In addition to the foreign situation, it is assumed with the teady decreases which have gone on in the visible supply and a re- uction in farmers' holdings, the domestic supply and demand situation t the end of the season will be very tight.

It is true primary receipts today were quite large --532,000 bu, ut they are insofar misleading as this item contains about 290,000 bu f wheat which were received in Chicago, and of that about 250,000 bu onstitutes choice Canadian wheat which is needed by millers as they annot obtain sufficient supplies for their wants in the United States.

At times the great strength in December wheat added enthusiasm o the bullish feeling which exists. This is the 8th of the month, and ot a bushel of wheat has yet been delivered on December contracts. he open interest decreased only 382,000 bu yesterday, and last night as 15,850,000 bu in that future. The amount of #1 and 2 red wheat in ublic elevators a week ago was 1,780,000 bu, and same will have been educed by this time, or will be very shortly, by about 600,000 bu, hich will be loaded out of public elevators and stored in boats. Con- equently the maximum amount which should be delivered, and which would e easily available would be 1,180,000 bu. Of course there is more heat in public elevators, the total amount being 3,297,000 bu, but art of this is feed wheat, and lots of it high grade spring wheat; nd there is some hard wheat which also commands a premium over regular heat and is not likely to be delivered unless the December wheat hould gain very heavily on the May. There is plenty of wheat in rivate elevators, but it is difficult to tell what part of it would rade. In any case there seems to be no disposition to make deliver- es --at least not at the present time nor at present prices.

The advance established early did not hold very well. There was ot the encouragement which had been given lately in the way of trength at Winnipeg, that market closing 5/8¢ per bu lower. This, n spite of the fact that farmers' deliveries were only 83,000 bu com- ared with 459,000 bu same day last year; this quantity is so small hat it is bound to bring about great inroads in present stocks with he large amount of clearances which are taking place both daily and eekly.

Toward the close the market showed a decline of 1/8¢ per bu for oth of the old-crop futures --December and May; July was a little eaker.

Corn receipts must be considered as quite large considering the mall crop, being today 756,000 bu compared with only 528,000 bu same eriod a year ago. However it seems to be well absorbed for the presen The open interest in December corn is still over 14 million bu, with eliveries so far being very small.

Oats, which have been neglected of late, showed great strength oday, and we consider them the cheapest cereal.

Rye was a little lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
N' YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

December 9, 1936.

The visible supply of wheat on

December 5, 1936	was	62,459,000	bu
orresponding period 1935	-	75,152,000	bu
1934	-	90,996,000	bu
1933	-	129,546,000	bu
1932	-	168,786,000	bu
1931	-	213,509,000	bu

owing steady decreases year by year since the top reached in 1931.
At the end of the crop year, about July 1, the visible supplies
re as follows:

1935	-	21,950,000 bu
1934	-	22,497,000
1933	-	77,820,000
1932	-	122,709,000
1931	-	163,161,000

herefore, there were disappearances for this period during these five
ears as follows:

1935	-	53,202,000 bu
1934	-	68,499,000
1933	-	51,726,000
1932	-	46,077,000
1931	-	50,348,000

onsequently, if the same should happen this season, our visible stock
the end of this crop year could be down to a very low minimum. As
general rule mill and country elevator stocks, as well as farmers'
oldings, usually correspond proportionately with those in the visible
upply. In other words, when the latter is very large there is also
reat abundance in other quarters, and vice versa. We, therefore,
ssume, and this is confirmed in various other ways, that stocks every-
here are extremely light this year. Were this not the case there
ould be a big movement now when the price is so tempting and the in-
ucement to carry wheat over into another crop so small, with the July
heat future at such a big discount. We can, therefore, come to only
e conclusion, viz., that whatever may happen in other parts of the
orld, the supply and demand situation on wheat in the United States
s extremely tight; and the supply to be carried over on July 1st will
e the smallest in a long period and much below normal.

However, the foreign situation also continues to be very strong;
nd world supplies in general are not any too plentiful. Liverpool
ables closed from 3/8 to 1/2¢ per bu higher. Italy continues to buy
rgentine wheat in large quantities. While it is admitted that her
rop was a short one, it occurs to us that possibly she may lay in
xtra reserves in case of a war.

In fact, we believe that the fear of a possible conflagration
broad adds another element to the tight situation which already exists,
s many countries may wish to increase their reserves. For the first
ime since the World War, Lloyds refused today to issue any more war-
isk insurance policies for the United Kingdom. This does not refer to
arine risks, which are only for shorter periods, but no building nor
ther property in the United Kingdom can henceforth be insured against
ar damage. Yet there is no great probability of immediate prospects
f war, but the possibility of accidents is certainly existing, partic-
larly as long as the war in Spain continues, and where actually dif-
erent nations are fighting with each other --Italian and German troops
n one side, and French and Russian on the other.

Primary receipts remain very small, being only 329,000 bu; they
ere largely exceeded by shipments of 586,000 bu. Last year's receipts,
imilar period, were 365,000 bu, and shipments only 236,000 bu. In
onsequence, stocks continue to decrease, and this week to-date Kansas
ity, Duluth and Minneapolis show a decrease of 528,000 bu.

The strength in our market was maintained right to the close--
inal figures being 2 1/4¢ per bu higher.

Corn, oats and rye all sympathised with the strength in the sister
ereal. The prices paid to the farmer now for everything are very remu-
erative to him, and way above his expectation. It appears to us, partic-
larly coming at this time before the holidays, that this ought to be a
remendous stimulant for merchandise sales to people in the rural dis-
ricts, and be a great blessing for business all around, which ought to
e even better than had been anticipated.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 10, 1936.

December wheat a year ago sold at about 95¢, December corn 58¢, ecember oats 25¢, and December rye 47¢. Today December wheat is elling at about $1.28, December corn $1.10, December oats 49¢, and ecember rye $1.00. The composite figure of these four major cereals ould be $3.87 today compared with $2.25 last year, or an increase of 2 per cent. This, however, does not tell the whole story. All minor rops, such as soybeans, barley, even screenings, are selling at much dvanced prices. Furthermore, hogs and cattle, butter and eggs, also re profitable to the farmer. There never have been any contradictory pinions on this well established fact: that fundamentals for great rosperity are good farm incomes. The effect is all the greater when t the same time everything else coming from the soil, such as metals, tc., are remunerative to the producer. It is true a large part of he crops is already sold, but there is still a good deal left on the arm. In addition, existing high prices now indicate plainly that e are approaching almost a depletion period, so we may be quite sure hat stocks at the end of the season will be extremely low. This in urn means comparatively high prices for everything produced next year aturally the level will depend to a large extent on the size of the rops but even a moderate price, in case of large crops, would be very atisfactory to the farmer, would bring an increase in the amount of usiness to the railroads, to the middleman and all like interests. herefore, it appears to us as if the business outlook would continue o be very favorable.

It is, therefore, evident that cereal prices are likely to profit ot only on account of the comparative shortage which is existing, but lso from increased consumption and more liberal spending due to gener y improved conditions, and the optimistic view which is prevailing. here is also some encouragement from the other side of the Atlantic. iverpool cables closed again at new record high prices for the season, utures advancing from 1 7/8 to 2 1/4¢ per bu. Italy continues to be tremendous buyer; and it is immaterial, as far as the market is con- erned, for the present at least, whether these purchases are being ade for immediate consumption or whether they are being stimulated y the desire to lay in larger reserves in case of a war.

Broomhall reports that some Danubian wheat was sold to Shanghai. nglish millers who had been holding back are now replenishing their tocks from wherever wheat is obtainable at a satisfactory price. here is no pressure from anywhere, and while no break is in sight, here is some caution necessary, as the advance had been very rapid nd with hardly any interruption.

Weather in the Argentine is now very favorable, crop estimates re more optimistic, and at prevailing prices a free movement in the outhern Hemisphere, no doubt, will set in before long, satisfying at east the most urgent requirements.

Although following the advances, the Winnipeg futures are doing so a little more reluctantly; and while supplies in that market are eing very heavily reduced, it is probably the intention of the wheat oard to take advantage of the situation and sell more of their holdings, so as not to be burdened in case the next crop should turn out uch larger, and possibly find a poorer market should European crops lso bring about better results than the past season.

Primary receipts continue to be light --373,000 bu, the chief mov ment being in the Southwest where farmers are attracted by the high rice and are marketing very freely. Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 646,000 bu.

Toward the close there was quite a free liquidation, probably aused by the reluctance of the Winnipeg market to show more strength. The fact that foreign markets had advanced so much today, and that Winnipeg closed practically unchanged to a little lower, may give us a somewhat weaker cable tomorrow. Finally our December wheat closed 3/8¢ per bu higher, and the May 1/8¢ per bu lower.

Corn primary receipts continue to be quite fair --714,000 bu against only 529,000 bu a year ago, but nevertheless the December futu is the strongest one. The fact that the open interest is being reduced only very slowly, and that deliveries are so small, is causing some apprehension amongst shorts. The open contracts in December corn re 12,726,000 bu.

Rye keeps in good demand, and closed higher, while oats were fractionally lower.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
I YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 11, 1936.

After the turn of the year undoubtedly more and more interest ll be taken in the outcome of next year's wheat crop. As far as the d crop is concerned, it is not very difficult to predict what will ppen in connection with our supplies, although, of course, the price ways will remain an uncertainty. We feel quite sure in our minds at all the world over, with no country excepted, stocks next July August will be extremely small and every exporting country will have educed its carryover considerably --probably below normal. Regarding e new crop, anything might happen yet. The only point of which we n be reasonably sure is that acreages everywhere will be very large- increased so that under normal conditions yields next year should way in excess of what they were the past season. With extraordinarly fine weather the surpluses might even become burdensome again, but is is not likely to occur until after the first movement has filled p the many holes which will be created.

In any case the weather will be very closely watched, and thereore the latest report from the Weather Bureau of the United States epartment of Agriculture is very interesting regarding conditions in ansas, which will have 90 acreage this year of about 30 per cent of the inter wheat in the United States. We quote in part: "The western hird of Kansas was favored with from two to five inches of snowfall uring the past week and the eastern two-thirds had from half an inch o an inch or more of rain, which greatly improved soil conditions, acording to reports of correspondents of the Weather Bureau. The fall f moisture was exceedingly favorable for wheat and stopped its deteioration, as well as soil blowing and dust storms, over the western alf of the state. Wheat over the eastern half was generally improved. uch wheat was frozen down by cold weather the latter part of the week nd the crop over the state has now entered its winter period of ormancy. For the present there is sufficient moisture in the top soil or wheat but subsoil moisture continues deficient in nearly all parts, specially the western third of the state."

Liverpool cables closed somewhat lower than yesterday, the decline amounting to 1/4 to 1/2¢ a bushel, which is not a great deal considering the sharp advances which had taken place of late.

Heavy buying on part of Italy continues and it is estimated that he has purchased 35 million bu of foreign wheat already and will need great deal more, although undoubtedly substitutes will be used; and he most urgent immediate requirements might be covered by this time.

We mentioned in our market letter yesterday that Broomhall reported that some Danubian wheat was sold to Shanghai. This is denied ow and must have been an error, yet it still remains a fact that hanghai has purchased wheat recently, but it seems the wheat which was secured is coming from Australia and not from the Danubian provinces

The domestic situation remains extremely strong. Primary receipts are only 289,000 bu compared with 389,000 last year; shipments are very much greater, being 549,000 bu. This naturally causes further decreases in stocks at terminal points; and so far this week the reduction in Kansas City, Duluth and Minneapolis amounts to 768,000 bu. In Minneapolis alone stocks decreased 300,000 bu, which is quite important, as the Northwestern Miller under date of December 9th reports that orders booked by major mills in the Northwest during the last week had amounted to 155 per cent of capacity compared with only 26 per cent the year before. Now, when one considers that total stocks at Minneapolis last Monday were only 5,973,000 bu versus 13,755,000 last year, the question arises: Where will northwestern millers be able to obtain their supplies for the next six or eight months, as their new crop does not come on the market in quantity until August or September? Receipts there today were only 37 cars against 140 last week, and 160 last year. It is quite sure that supplies which they generally receive from their own territory --Minnesota and the Dakotas-- will not be forthcoming this year on account of the insignificantly small crop. It is evident that they will either have to import larger quantities

(O V E R)

fromCanada, or buy the wheat from the Pacific coast and from the Southwest. There again we doubt whether large quantities are obtainable without boosting prices.

At the present time the advances have been very tempting to farmers to sell their wheat, but we think that when the next government report gives out figures on the amount of wheat which is left in their hands, they will be much below normal, and particularly small in the Southwest.

Nevertheless, as the session progressed today, there was some hesitancy to follow the market further, the chief influence having bee the weakness in corn, whereas the strength before had been a very stimulating factor.

At the close our market showed a decline of 1/2¢ per bu for the leading future.

Corn primary receipts continue to be very large considering the smallness of the crop, being larger than both last week and last year. The East is consuming a great deal of the imported corn. The outlet from Chicago is very insignificant, while receipts at all primary markets were 875,000 bu, with shipments of only 287,000 bu.

The oats situation, in our opinion, is very sound, and this cereal offers great opportunities. The crop was a very short one, and the visible supply is much smaller than in 1935. Primary receipts were only 106,000 bu compared with shipments of 317,000 bu.

Rye also has a firm undertone.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
NE YORK PRODUCE EXCHANGE
N YORK COCOA EXCHANGE
NEWORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 12, 1936.

The world visible supply of wheat showed 224 million bu of wheat n December 5th compared with 382 million bu last year. There were:

11	million	bu	less	in	the	United States
157	"	"	"	"		Canada
4	"	"	"	"	"	United Kingdom
1	"	"	"	"	"	Argentine

he only place where there was more wheat was on passage, which mount increased 14 million bu. In our opinion this more than anyhing else shows the changed conditions compared with a year ago.

As far as Canada is concerned, figuring the probable available upplies in all positions at the present time, (this to include farmrs' holdings and deducting the amount of wheat which will be needed or home consumption) would leave, as of December 9th, 152million bu or export and carryover compared to 295 million bu a year ago, or 43 million bu less. Exports so far this season, since August 1st-- months and 9 days --amounted to 104 million bu. Therefore only a ittle more exports are required during the remaining 7 months and 20 ays, almost twice that period, to reduce Canadian stocks to an abolute minimum which will have to be carried over for safety. While he crop year in Canada starts August 1st, in any ordinary year hardly ny new-crop wheat is available for either home consumption or exports t that time, and as a rule another 25 to 30 million bu are needed uring August to fill other requirements.

It is true, of course, that the Southern Hemisphere's wheat crop s coming on the market now and will be much larger than last year; ut when it is considered that Italy has already bought a very large mount and that e very country needs more wheat than last year, there ertainly seems to be a sufficient offset so that the world situation s and remains very strong.

Now as far as the domestic situation is concerned, our visible supply is now 62,459,000 bu compared with 75,152,000 bu last year, or almost 13 million bu less. The visible supply had decreased to 21,950,000 bu at the end of the crop year, June 30th, 1936. Should there be a similar decrease this year, a disappaearance of 53 million bu would reduce stocks at all terminal markets in the United States to 9 million bu on July 1st, 1937. However, even assuming that decreases should be somewhat smaller there still would have to be approximately 40 to 50 million bu hedges taken out before July 1st, which in itself will tighten the market.

Liverpool cables were somewhat weaker today, declining from 1/8 to 1/2¢ per bu, which gave us a weaker opening, but this did not last very long and moderate buying orders were sufficient to boost prices here, the close showing a gain of 1 3/8¢ per bu over yesterday for the May delivery.

Primary receipts were fair today --467,000 bu, but shipments were almost equally as large, being 432,000 bu. Stocks at Kansas City, Duluth and Minneapolis decreased 774,000 bu for the week; we look for another good-sized decrease in the visible supply on Monday, as undoubtedly stocks at Buffalo will decrease heavily, and also the amount on lakes.

Corn receipts c ontinue to be large considering the size of the crop --810,000 bu versus 857,000 a year ago; prices for this cereal improved but slightly.

Rye, on the contrary, was extremely strong, closing much higher. Oats also are gaining in favor, and we still believe they are the cheapest cereal.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
NE YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 14, 1936.

The following is written partly from memory: We feel that this
ar's wheat situation is in many ways similar to that of 1897-98,
though there are enough differences so that no one should conclude
ere will be an absolute repetition. They are alike in this respect:
at gradually a shortage or a close adjustment is now being created
ter a great depression and a series of short crops. In the former
riod, the lowest price had been reached in about 1894, below the
's, the same as occurred in 1933. The consequence was that then
glect of the farm took place; and in this later period the same re-
lt was accomplished through artificial reduction in acreages. In
th cases one short crop followed another, until finally the sur-
luses were absorbed. So about three years afterwards in both cases
e other extreme in price followed. There was one great difference--
e Spanish American War was fought in 1898, but had only a momentary
fect on prices, as the Spanish Navy could not interfere with our
ade or with world shipping; and this year we have preparations for
r and the laying in of extra reserves on part of European countries.
ere is another similarity-- the visible supply declined in July,1898,
14,701,000 bu; This was a very much larger quantity 38 years ago
an the same amount would be at the end of the present crop season,
th our consumption and population heavily increased. Chicago stocks
ad declined to 576,000 bu, and if our visible supply continues to
crease as it has lately,week by week, we should not be surprised to
e it go down to very close to that figure by the 1st of July.
trength, the same as now, came mostly from Europe, although the
mestic situation became very strong on account of heavy exports, which
not exist now, but which are not needed.

There was also another great difference then, there was the
-called "Leiter" deal, and his heavy operations stimulated prices.
continued keeping up the domestic price and selling wheat abroad at
tremendous loss, transactions which are no longer permitted, and
y great strength here will have to come from natural developments.
e highest price for May wheat was reached on May 28, 1898-- $1.75--
d July wheat at no time could advance higher than $1.17, as good crop
rospects were in sight. On the last day of the expiring May future,
rices declined to $1.25, and July wheat on July 30th sold at 66¢, or
decline of 50¢ from the top. There again is a great difference this
ar from the other, as there is much apprehension just now on account
the lack of subsoil moisture and that we might run into another
or crop.

This is written chiefly as a matter of interest, and not with any
tention that we intimate that the former precedent will necessarily
followed this year, and certainly no two years are ever alike.

Liverpool cables showed a sensational advance today, the upturn
ing from 4¢ to 4 3/8¢ per bu on the various futures. Foreign markets
came excited when a Berlin report to The Times claimed that a huge
rman grain shortage exists, and that she will have to buy about 37
illion bu of wheat, and about the same quantity of rye. In the mean-
ime, Italy continues to buy wheat both in the Argentine and in
ustralia, having contracted for five more cargoes, or over one million
u of wheat. Earlier in the season it was not known that either Germany
r Italy, who had been almost self-sustaining the previous year, would
eed such large quantities, and where demand and supply was reasonably
ell adjusted before taking them into account.

It is becoming apparent that this will remain a sellers' market,
nd that buyers may have to meet present prices, or pay still more be-
ore they can secure their supplies. Of course at certain limits both
rgentina and Australia, which countries usually export only about 70
er cent of their exportable surplus before July, might make special
fforts to get rid of larger quantities. But even should this be the
ase, we believe that all the old wheat which is in sight will be want-
d, and that the carryovers over all the world on July 1st will be re-
uced to very small proportions.

World shipments were extremely small --only 7,437,000 bu compared
ith 9,320,000 bu a year ago. This is due to the fact that for one

reason or another the Black sea cleared only 432,000 bu, but this we believe is only an exceptional case, as with the large quantity ; raised there, and which has to be disposed of, during the following weeks there will be larger shipments from there.

While late reports from the Argentine have been quite favorable, the weather is now threatening, which would be unfavorable for harvesting.

Our own visible supply decreased only 933,000 bu against 1,866,000 bu in 1935, but stocks at visible points are still almost 12 million bu less than the previous year. The smaller decreases we think ma easily be explained by the fact that the higher prices lately have bee drawing out lots of stored wheat from farmers, and the movement is very much heavier than it would have been otherwise. However, naturally, every bushel of wheat which is being sold now above normal will reduce farmers' stocks to such an extent that the primary movement after January ought to be very small. Today primary receipts were 528,000 bu versus 567,000 bu the year before.

As the session progressed new high records were made for wheat, traders becoming increasingly anxious to share in the profits should the upward movement continue. Long before the close July wheat had advanced the full limit of 5¢ per bu, which is the total fluctuation permitted in one day. Later on May wheat shared the same fate. December wheat, however, is permitted to advance as much as 8¢ per bu in oneday; it gained considerably over 5¢ per bu, but not the full limit.

All outside markets followed to the full extent, but Winnipeg was closed, and no doubt they will do likewise tomorrow, unless there should be a change overnight.

Corn, oats and rye all profited from the bullish enthusiasm, which had been created through the wheat situation, and closed considerably higher.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
N YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
NE YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.
CHICAGO

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

December 15, 1936

Argentina reports clearing weather, therefore favorable conditions for the harvesting of her crop. Even in the Southern Hemisphere new crops have advanced far enough so that we can judge fairly accurately the yields of all wheat crops in the world. The consumption f each country is also pretty well known, and we may take as a positive fact no matter how high prices may go, that Russia and the United tates, which had been the largest exporters before 1914 and had sold more wheat to the importing countries than all of the others together, will be practically out of the reckoning.

Canada has at the present time about 140 million bu less wheat o dispose of than on similar day last year. England, France, Germany, taly, Belgium, and even Spain, if ways are found for her to get suplies, will need heavier importations. The United States will unoubtedly remain an importer, and therefore we believe that this crop ill go down in history as one way below normal and insufficient for orld needs; but in view of the fact that we had moderate carryovers, here will probably be sufficient quantities available to supply all eeds. This, however, only on condition that the Southern Hemisphere, which usually ships about 70 per cent of its surplus before July 1, will make extra efforts to clear more than usual during this period and bridge over the period between the end of the old crop movement and the beginning of the time when new arrivals of next year's crop are available to millers. This clearly indicates that a high price will be necessary to stimulate the Southern Hemisphere to make these extra efforts and sell its wheat very fast. A high price, of course, works wonders in bringing out supplies, and therefore, there are no hard and fast rules as to how the wheat market might act from now on. Supply and demand will be so closely adjusted that any small surplus or any moderate deficiency might make a great deal of difference in the final outcome. The present movement in the United States shows very clearly that the farmer as a general rule is more concerned about domestic than world conditions. Whenever the price is very tempting to him he sells his produce; and we, therefore, assume that a larger quantity of his crop has been moved up to the present time than normally. Furthermore, the Government had loaned a great deal of seed wheat to the farmers and they were compelled to sell their product. The fact that this is about tax-paying time and Christmas is approaching, when cash money is needed, have also been extra incentives to bring the wheat to market.

A thorough investigation on our part as to the amount of wheat which is left in the Southwest encourages us to think that this theory is correct.

Primary receipts today were 340,000 bu compared with 532,000 bu a week ago and 302,000 bu last year. It is quite conceivable that after the turn of the year receipts will be extremely light. Flour business is improving and it was assumed that millers had to cover a great many hedges today, which was a great help to the market. The same conditions will have to continue right along, as the daily arrivals cannot possibly be sufficient to supply the mills, and they will be compelled to go to terminal markets for their supplies.

Liverpool cables finally closed 1 3/8 to 1 5/8¢ higher than yesterday. Italy again purchased three cargoes of Argentine wheat, but as long as there is such competition among buyers in all exporting countries, the undertone is likely to remain strong.

(OVER)

Our own market had many fluctuations today, and at this price level this is likely to continue. There is no short interest to speak of and any liquidation is bound to bring about moderate recessions. But in addition to all the bullish news the headlines on our newspaper are now bringing this most important world cereal to the attention of every speculator, and buying orders come in freely on every decline. At one time today all futures attained new high levels, which, however were not maintained, and the close shows a decline of 1/4¢ for the main future, or May wheat.

We are very much impressed with the small wheat stocks at Minneapolis at only 5,681,000 bu, which had shown a decrease during last wee of almost 300,000 bu. Last year at this time the stocks amounted to 13,915,000 bu, and with a very much smaller crop in the spring wheat territory, it is quite evident that the mills in the largest flour manufacturing center in the United States will have to reach out everywhere in order to obtain the necessary supplies.

Corn showed great weakness, receipts keeping up reasonably well, being 671,000 bu, and the demand is rather poor, shipments being only 257,000 bu. Inasmuch as the great advance yesterday was entirely in sympathy with wheat, the break today was not unnatural.

Oats also closed somewhat lower, but rye, which seems to be very scarce, held its own-- in fact, improved in price a little compared with yesterday.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
ICAGO BOARD OF TRADE
N YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO December 16, 1936.

Inasmuch as the recent upturn of 5¢ per bu was largely stimulated b the great strength in foreign markets, a weakening of same yesterdy, naturally had its corresponding effect early in the session. Iverpool cables showed a decline of 1 1/4 to 2 1/4¢ per bu. The news fom the Southern Hemisphere is quite favorable, harvesting operations e extending, and as receipts increase shippers are more willing to cept lower prices. Offerings from that quarter are being made at rduced prices. Weather there is generally clear and favorable; this uses some apprehension on part of bulls that the official estimate the Argentine Agricultural Department, which will be given to the blic at about six o'clock this evening, our time, might be somewhat arish. Nobody has any accurate figures, but probably the highest esses recently given to the trade of 260 million bu, might be alized, and the crop might turn out even larger than that. However th a consumption of approximately 100 million bu, the surplus after l would be only fairly moderate considering that the bulk of the porting requirements will have to be obtained from Argentina and stralia. If we deduct from the above figure the extra quantity ich Italy is taking this year compared to other seasons, the amount ailable for those countries which are always dependent upon the uthern Hemisphere for their supplies ought not to be excessive.

In the meantime Italy has bought another cargo, and Japan is also quiring; so the general situation still remains quite hopeful.

Outside of that, the domestic situation keeps extremely satisactory. Importations into this country fromCanada for the week ended ecember 12th were 837,000 bu; and the total since August 1st is ,337,000 bu. So for the 19 weeks they were not very far from one illion bu weekly. This extra demand on part of this out-of-thedinary customer for Canadian wheat, will finally be of sufficient portance to cut down the Canadian surplus to such an extent that her ailable supplies for export to Europe will be greatly minimized. is week, according to Bradstreet, her clearances were only 3,336,000 shels.

Our primary receipts today were very light --only 288,000 bu ersus 380,000 bu similar day last year; shipments were considerably arger, amounting to 446,000 bu. Stocks at Kansas City, Duluth and inneapolis so far this week show only a small decrease --71,000 bu, nd as many other points will also again show decreases we look for nother good-sized decrease in the visible supply on Monday.

The open interest in both December wheat and corn is still quite arge, and the strength in the nearby futures sometimes is a great entimental help to the whole market. The open interest in wheat, hile it decreased yesterday 1,758,000 bu, still amounts to 9,511,000 u, with no large deliveries in sight, as cash wheat is still bringing ood premiums and the arrivals in Chicago are very small and mostly bsorbed by millers and shipping interests; therefore, are not available for elevators to make deliveries except at a loss.

There is also a firm tone to the cash market. In Kansas City, t is assumed the farmers movement will soon show a great droppingff after taxes and Christmas money have been provided for.

There is still a very good demand for the new-crop wheat future--uly-- chiefly based on the relative cheapness compared to the oldrop prices, and the continued absence of rain for quite a period. owever the Kansas weekly weather bulletin, ended Tuesday, gives a uite favorable report about the present outlook of the crop, but here is always the great "if". We all know that vegetation needs ain, and if it should not come next spring and summer, even the arge acreage planted would give only moderate yields, such as this eason. However in the natural course of events a repetition of roughts such as we had for a number of seasons is quite unlikely, lthough, of course, possible. Therefore until we get good soaking

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rains the crop outlook will remain uncertain. Yet some are tempted to buy July wheat on account of the discount, although the price would seem a very high one in the event that normal yields would be produced next year over all the world.

During the session sentiment improved considerably, and the market encountered great resistance on all declines. The close was reasonably firm, the main future --May-- being 1/8¢ per bu higher.

Considering the size of the crop, corn receipts at terminal markets are quite heavy --789,000 bu against 728,000 bu a year ago when the crop was so much smaller. This held prices in check, and the final change from yesterday was very small.

Oats gained on yesterday's close, and this cereal is likely to be very scarce at the end of the year.

Rye was the star performer; the scarcity of this cereal is generally recognized, and all futures closed at a considerable advance.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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TELEPHONE HARRISON 6282
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 17, 1936.

Through a repayment by the Bank of France to England of loans
eviously made when a crisis was threatening, the Bank of England's
ld holdings have now reached the peak in its history. In order to
nimize the effect of these increased gold holdings, and possibly
ve a tendency toward inflation, an equal amount of fiduciary notes
ve been withdrawn. In other words, notes in the amount of over
00 million, which had been issued and which had not been backed by
ld, had been retired. This is only significant insofar as it shows
at one more country is fearful and is trying to prevent inflation,
too rapid rises in commodities and the cost of living. Amsterdam
in the same position, and so we now have four countries: namely,
e United States, England, Switzerland, and Holland, which are burden-
d with more gold than their trade requires. There are a number of
untries in exactly the opposite position, particularly Italy and
rmany, which are short of this precious metal, have no means to ac-
ire it, and with continuous deficits are compelled to resort either
forced loans or taking possession of foreign investments to cover
eir trade balances; Of course, if all this is not sufficient they
ll have inflation for quite different reasons, as the paper press
uld have to be resorted to. This necessarily makes great uncertain-
es for those who would like to guess the price levels some time
ead, as they will not depend entirely upon normal conditions and
pply and demand for commodities alone.

The effects, however, are in the distant future, and as far as
eat is concerned, actual conditions are still the main factors and
ices are largely influenced by events from day to day. The high
evel existing at the present time is easily explained when the Depart-
ent of Agriculture confirms the total world wheat supplies, excluding
ssia and China, are the smallest during any current marketing year
ince 1926. If Russia were included we think the shortage would be
ill greater, as that country has exported practically nothing during
is crop season, and must have had very deficient yields.

The trade was somewhat hesitant yesterday before forming positive
inions for the present, as they anxiously awaited the Argentine
vernment report on this year's probable yields, because that country
ill have more wheat for export during the next six months than any
ther. However, the information that was given out late in the after-
oon showed no great changes from what was expected, the total yield
eing about 250 million bu, which will give an exportable surplus of
55 million bu, at the outside, for twelve months. Even with the
reatest efforts all of it can not be cleared before July 1st. Considering
at both Germany and Italy are anxiously waiting for the early ship-
ents to replenish their supplies, the pressure from that quarter ought
t to be excessive. Our newspapers continue to give sad stories
out the shortage of human food supplies in Germany, and extra ef-
rts seem to be made to obtain the necessary foreign exchange to re-
ieve the situation.

All this makes it quite clear that this is one of the years when
ellers have the upper hand, and, therefore, a high level of prices
s likely to continue until the new harvest comes on the market.

Liverpool futures showed an advance of 1/2 to 2¢ a bushel on the
arious futures, which naturally was construed as quite encouraging.
rgentine estimated shipments were 1,470,000 bu, and, of course, every
ffort is being made to ship as much of the old crop as possible before
t comes into competition with the new one, as same is bringing higher
remiums than later deliveries.

France reports wet weather and a large trade in Canadian durum
heat, with a probability that the duty might be somewhat reduced on
ame. It is well to remember that that country was a heavy exporter
ast year.

(O V E R)

In this country the Southwest movement is extraordinarily large. All the interior points in Kansas are having big receipts. The movement is also quite large to Kansas City, but nevertheless stocks in that center are decreasing, showing the demand must be also pretty good. However, we still adhere to the belief that this heavy movement in the Southwest is only temporary, that farmers' stocks must be reduced much below normal, and when the next government report comes out giving farmers' holdings, they will probably be the smallest in many years.

Primary receipts were 482,000 bu compared with 458,000 bu a year ago; stocks at Kansas City, Duluth and Minneapolis so far this week show a small decrease of 151,000 bu, but lots of other points, we think, will show a bigger decreases next Monday.

At various times during the session the market hesitated, because every advance brought some liquidating orders for the purpose of securing profits, but the undertone remained reasonably strong all the time. Final quotation for the main future - May - was 3/4¢ per bu over yesterday.

There were light snows at various places in the Southwest, with predictions of considerably more, which had a very depressing effect on the July future, which showed a decline of 3/4¢ per bu. We still believe that if we have normal weather during the growing period of the wheat plant that the whole picture may be reversed, and July wheat would appear very high, when the crop comes on the market during July when there is likely to be a big movement.

Rye was again the star performer, advancing sharply, and it looks as if the amount available would be very short, sufficiently so, that consumption would have to be curtailed and substitutes used.

Corn receipts are still very fair for the size of the crop--690,000 bu, and it appears more difficult to boost that market at the present time.

Oats improved slightly, but we believe they are good value.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
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TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
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WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 18, 1936.

Those in Germany when they were thirsty and beer was not a suffcient stimulant, indulged in the drinking of brandy,and that industry ws a very large one in that country. There now has been a law pronlgated prohibiting the use of either wheat or rye for the manufacture c brandy. Such a measure would not have been taken, as it again antagcizes a large class of the working people, had it not been an absolute rcessity; and it is another proof of the extreme shortage of foodsuffs in Germany. Retailers of butter continue to be rationed as to te amount of this article which can be sold to any one individual or mily. Germany tried its best to be self-sustaining, but with a pulation of possibly sixty-five million people, and increasing rapidl, in an area of perhaps one-thirteenth of the United States, difculties are evident, particularly in years of short crops. They perience the further handicap of a lack of foreign exchange, and atever is available seems to be used for armaments to such an extent at employment in the metal industries is about ninety per cent. The andard of living is decreasing possibly at the same ratio as the andard of armaments is increasing. Therefore, purchases of imports wheat and rye which had been delayed can no longer be avoided and gent necessities compel buying in foreign countries wherever wheat available.

There were rumors regarding sales of about 370,000 bu of wheat om the Argentine, and also purchases of about two million bu of wheat Canada. With winter weather approaching this may be the forerunner much larger purchases,and was largely the cause of the great strength wheat at Liverpool. Final prices there advanced 2 3/8 to 3 1/2¢ er bu on the various futures. Usually at this time,the start of the vement in Australia and the near approach of heavy clearances from e Argentine, would have a depressing effect, but as Italy is in much e same shape as Germany, and is likely to import from 60 to 80 milon bu of wheat compared with 10 to 15 million bu last year, all oferings at the present time are being easily absorbed. We expect that is will continue during the whole season until the new crop comes on e market --this particularly so as the next largest exporter from w on, Canada, also has no abundant supplies on hand to furnish all e various European countries for their absolute needs.

As of December 11th, the available stocks in Canada, not includng what is held by farmers and in transit by rail, amount to approxiately 109 million bu, compared to a little over 268 million bu last ear, or 159 million bu less. As the amount in farmers' hands has also een very largely reduced as evidenced by the very small daily deiveries, the actual amount from now on which could be exported from hat country is considerably less than the Argentine surplus. In adition, Canada will have to help out the United States, as otherwise possible shortage might be created here. So far importations from uly 1st to December 5th were 20,981,000 bu compared with 15,670,000 u last year. This is all for home consumption, although part of it as not used for human needs but added to our feed supply. In adition to this during the same period about six million bu of Canadian heat were imported to be ground into flour by mills. On the suppósiion that the foreign estimates about their needs are correct, excess emand from now on should be very much larger than during the past eriod of this crop year, as Europe up to date has taken only 24 milion bu more than last season and ex-Europe actually 7 million bu less.

The heavy movement in the Southwest, particularly at interior oints, continues, and possibly there will be no let-up for some time s long as markets continue to advance, but a point will be reached ater on when there will be such small amounts of wheat left in farmrs' hands that receipts ought to become extremely small. Today's rimary receipts were 340,000 bu, of which 260,000 bu were received nthe Southwest at the following points: Kansas City, Omaha, St.Joseph t. Louis, and Wichita. This leaves only 80,000 bu for all other laces, such as Minneapolis, Duluth, etc., and shows that there is nly one territory left where suplus stocks are available outside of

(O V E R)

the visible supply. Nevertheless stocks at Kansas City continue to decrease, same amounting to 192,000 bu. Inasmuch as the decrease in the visible supply last year at this time was very small --only 779,000 bu, we think the reduction next Monday will be considerably larger. There was moisture in the Southwest in the form of snow, and at various points, on an average, amounted to from one to two inches, which is helpful; but yet the quantity is so small that more will be needed right along to obtain best results. It had no great effect on the July future, because the general market was so strong that it sympathised with it. However, the price continues to appear high assuming we shall have no extraordinarily bad weather during the growing period.

While there was a fair reaction from the highest point, yet the advance for the day on the May future was 3 1/8¢ per bu. Inasmuch as at the high point today the wheat market had gained 12 1/2¢ per bu for the week, the reaction which took place today, and possibly some more, is quite natural, although fundamentals remain very strong. How much the price discounts is difficult to tell.

Rye continues to advance, although the rise here today was not as much as that in wheat, but at Winnipeg for the fourth day in succession the limit which is permitted in one day took place --5¢ per bu advance.

Corn receipts are keeping up fairly large and sufficient for all demands at the present time, with prices only slightly higher.

Oats remain strong, there being a steady decrease in the visible supply, and the daily outgo seems to be larger than receipts.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
NE YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 19, 1936.

The wheat market at times was influenced by the decline in the stock market. There are a great many traders, particularly in the East, who operate in both stocks and grains, and if one weakens it has a sentimental effect on the other, because it induces realizing sales, and sometimes short commitments. The reason for today's decline in securities was the refusal on part of the Interstate Commerce Commission to renew the railroad surcharge. This, of course, deprives the railroad companies of certain revenues which they would have otherwise, and is detrimental to that extent.

There is also a hint that the United States might wish to levy a service charge on foreign funds in this country, or heavier taxes on foreign investments here. The Administration is pursuing openly a policy to prevent too sharp advances in stocks, fearing that if speculation would become too rampant a reaction would be bound to follow; and everybody is agreed that a possible disaster such as occurred in 1929 should and must be avoided.

The grainspeculator naturally must follow all these vents, but if money remains cheap, if gold production continues to increase, if business remains good, and if dividends keep up all efforts to prevent stocks from going higher might prove futile. Speculation is such a part of human affairs that it will be difficult to stop it when the temptation is great to indulge in same. Anybody who has visited Pompeii will remember that they still show the ruins of an old stock exchange, and the museums of Naples are full of relics, showing that ancients also indulged in speculative ventures.

Nevertheless the wheat market made a very fair showing under the circumstances. Liverpool cables were somewhat lower than expected, the close being from 1/8¢ decline to 3/8¢ per bu advance. The German demand was absent today. On the other hand there were intermittent rains in both Argentina and Australia, where dry weather is needed now for the harvesting of the crops.

Reuter estimates that the carryover on July 31, 1937, in the exporting countries will be only 136 million bu versus 212 million bu last year, and the smallest figure in eleven years. This equals 15 weeks' takings, while in 1934 when supplies were very large there was 48 1/2 weeks' supply. Inasmuch as every country, Canada, Argentina, and Australia will have to carryover some wheat, and as there always has to be three or four weeks stocks on ocean passage, it confirms a very close adjustment at the end of the season, such as we have predicted right along.

At times the market w as quite s trong, which in the absence of any encouragement from other sources, shows the fundamentally sound position of wheat. However the highest prices could not be maintained, there being too many realizing sales so that the accumulated profits have been very large. The close showed a decline for the main future--May-- of 1 3/8¢ per bu.

Primary receipts are still very fair, 466,000 bu against only 389,000 bu last year; stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 297,000 bu.

Light snows have fallen during the past 24 hours over portions of the Northwest, also in Missouri, Illinois, Indiana, and Ohio, but amounts were very small west of the Mississippi river. The long-time weather prediction is also not very favorable, as not much precipitation is likely in the western part of the wheat belt.

Primary receipts of corn were only a trifle smaller than those of last year: namely, 787,000 bu compared with 839,000 bu; and this in spite of a much smaller crop, showing that the price is attractive to the farmer. The market closed practically unchanged, except for the December future, as contract stocks in this city are very small.

Oats changed but little, and rye had a natural reaction from the tremendous advance which had taken place of late. Both oats and rye we think will be very s carce before the new crop can possibly come on the market.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
W YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
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MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
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FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 21, 1936.

In Germany it is now unpatriotic to consume white bread. Everybdy knows how dangerous it is now in that country not to appear pariotic, at least inthe public eye. However, like every artificial egulation, it reacts in some other way; so it is assumed that any derease in the wheat consumption will bring about an equal increase in ye as a substitute, as people have to eat. This, however, is another roof of the scarcity of human foodstuffs in Germany, and were the ruth known probably feedstuffs for animals are just as scarce, as eat is very high and is being rationed. The whole situation is so xtraordinary --two countries, Germany and Italy, having a larger opulation than any other two European countries outside of Russia, ind themselves compelled to import larger quantities than usual, espite higher prices. This situation being so well known now and so ell advertised, prevented a weaker cable today from having its usual ffect.

Liverpool showed unexpectedly large declines before our session pened, but some reaction took place before their close, final declines eing from 7/8 to 1 1/4¢ per bu on the various futures.

Both the Continental and English demand for cash wheat was ery quiet, which, however, is natural in view of the large sales to very country which had been reported recently, and which must have een way in excess of immediate requirements, so that processors can fford to wait a little while before coming in the market again on a arge scale. In the meantime stocks abroad cannot possibly increase ith world shipments being only 8,623,000 bu this week, which is conidered much below requirements, although last year same date world learances were only 7,585,000 bu. But at that time the needs were uch smaller than they are now, and more countries participated in the eceipts.

Even if the foreign situation should have been somewhat exagerated, the public here has had in mind the strong domestic situation hich asserts itself right along. The visible supply showed a decrease gain of 1,182,000 bu versus 779,000 bu a year ago; and of course the ssumption exists that as fast as the visible supply decreases, hedges ill have to be taken in, which, in itself, lends firmness to the maret, as speculative holders are very reluctant to part with their holdngs. Last year after this period until the end of the crop season the isible supply decreased 50 million bu, and should a similar reduction ake place this year, it is evident that the amount left at terminal oints at the end of the season would be extremely small --or only about 0 million bu. In addition it appears to us as if the primary reeipts would be smaller rather than larger than in 1935, as there was n extra inducement this year, on account of the high prices, for armers to sell their wheat, so their holdings must be very much reuced. This, in spite of the fact that today's receipts were very eavy --899,000 bu against 498,000 bu last year, but everybody expects hat after the turn of the year the movement will let up considerably. e know for a certainty that in the Northwest, with the very small crop hey raised, there cannot be much wheat left which could be shipped r sold.

We find that primary receipts of wheat last year up to this ate were 169,627,000 bu, for the full year 226,712,000 bu; consequenty, the movement after this period was 57,085,000 bu. Kansas City eceipts a year ago up to this time were 37,704,000 bu, for the full ear 51,084,000 bu; the movement after this period 13,380,000 bu. So ven last season the movement during the last six months was only bout 25 per cent of the whole year's movement. Therefore, everything ndicates extremely small supplies before the new harvest comes on the arket.

The open interest in December wheat decreased Saturday 617,000 u to 6,340,000 bu. Chicago wheat stocks decreased 266,000 bu last eek, and have now been reduced to 7,363,000 bu.

(O V E R)

Fluctuations today were smaller than recently, but the undertone remains strong, and after an early decline a good recovery took place, final prices showing a decline of 1/8¢ per bu for the main future, the May, compared with Saturday. Inasmuch as all North American markets, including Winnipeg, closed reasonably strong, we look for a rather constructive cable tomorrow.

Primary receipts of corn continue to be large --885,000 bu, although much smaller than in 1935 when they were 1,202,000 bu. However, the demand is light, and shipments were only 246,000 bu. Stocks increased 1,509,000 bu, making the total visible supply 10,592,000 bu, and 3,873,000 bu more than a year ago. Nevertheless that market keeps very firm, probably helped by the great strength in December corn, the open interest in same being still a trifle below 7 million bu, with very little time left for either delivery or liquidation. However, we believe the trade was very large today, so probably a great reduction has taken place in the open interest from last Saturday.

Trade in both oats and rye was much smaller than of late, and at the close prices changed but little from Saturday.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
V YORK PRODUCE EXCHANGE
EW YORK COCOA EXCHANGE
E YORK COFFEE AND SUGAR EX.
OMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS CHAMBER OF COMMERCE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCHANTILE EX.

CHICAGO December 22, 1936.

Human nature under similar circumstances is very much the same everywhere --in every country and in every climate. Whenever profits become large in any industry, in mining, or on the farm, production is naturally increased. When the price of gold was raised about 70 per cent, the profit motive brought about a tremendously increased production. When wheat gradually rose from about 45¢ in 1933 to $1.30 or more this year, the farmer naturally increased his wheat acreage. Yesterday's government report of the planted wheat acreage this year is the farmer's answer to the high prices he has obtained for his product during the last few years, and particularly this season. In all probability the farmer in the spring wheat territory will respond equally as well as all agriculturalists in every country in the world. We, therefore, must assume that as much or more wheat will be planted in the world than ever before. The government figures of 57,187,000 acres of winter wheat sown, or 15 per cent more than last year, will compare with the winter wheat average acreage in the five years --1927 to 31--, 45,265,000 acres; in 1934, a year with good recovery after the greatest depression, 47,067,000 acres; the following season, 49,688,000. All this should not be surprising to anyone who had watched events during the last fifty years. During depressions farms were neglected, acreages were reduced, gradually consumption and production became adjusted, prices commenced to rise, and finally a new over-production was at hand. These movements, we presume, are so natural that history will repeat itself, despite efforts to the contrary. The farmer would not be an exception to the general rule: that in case he would always be prosperous, he would never stop increasing his acreage. There must be years where discouragement is necessary to adjust matters.

With normal weather conditions the possibilities of an immense winter wheat crop are good. The previous seeding peak was only 51,391,000 acres in the fall of 1918, with a yield of over 748 million bu. Therefore, with equally favorable weather as in that season, Secretary of Agriculture Wallace's statement of a possibility of a billion bushel crop for the United States, would not be an impossibility. Of course it is not likely that such results will be obtained as the wheat plant has a poor start, the condition is low and there is still a great lack of subsoil moisture. On the other hand, assuming the worst, a winter wheat crop equal to last year's per acre, with also a large abandonment of acreage and adverse weather conditions as rarely happens, perhaps only every twenty-five years or so, would still yield 600 million bu. It is safer to assume, therefore, since no one can absolutely look into the future, that the prospects are for a complete change next season from the scarcity existing this year and much more abundant supplies with a possibility of large surpluses in this country. Should this occur we should either have to export some of it or store it as in former years, or governmental agencies might again step in. This, however, while very bearish on July wheat, will affect the old crop only in two ways: first, sentimentally, as nobody wishes to carry any wheat over into the new crop in a speculative way, and secondly it will induce every farmer to ship as much as possible, and every miller to reduce his flour and wheat stocks to the lowest possible minimum. Our supplies being so closely adjusted, with any unforeseen extra demand coming from Europe, may be enough to create a near scarcity so that the sentimental effect may be minimized and the realities of the shortage may have to be faced. Should this occur, an extraordinary discount for the July future under the May wheat may be established.

Liverpool took a very pessimistic view regarding the price level of wheat when they received information of the increased winter wheat acreage here, and their futures declined from 2 1/2 to 3 1/2¢ per bu. This, in spite of the fact that Italy purchased possibly 350,000 bu more wheat in the Argentine, and an equal amount from the Danubian Provinces, indicating that they have not covered their needs by any means. The hope exists that they will be a sustaining factor in the market right along. Germany is resorting now to larger flour extractions, which will lower the quality of bread and reduce the amount of food to be obtained. However, undoubtedly the demand for rye will

(OVER)

increase as a consequence; but the situation is so serious that wheat importations on a larger or smaller scale will have to take place. The extremely high freight rates to Europe from the Argentine, about 20¢ per bu, and 19 1/2¢ per bu to the United States Atlantic ports, show the tremendous demand which is existing for ocean room and for grain in general.

As far as our own local market is concerned, a very bearish feeling was created in the July wheat, which had its sympathetic effect on the other futures, all of which declined very sharply, the close being 2 1/2¢ per bu lower than yesterday on the May future, and 3¢ per bu on the July.

The open interest in December wheat decreased yesterday 1,174,000 bu, and has now been reduced to 5,166,000 bu. There undoubtedly were further decreases today, and as there is still a probability that some wheat will be delivered, we think the open contracts will gradually be liquidated without much difficulty.

There was one lot of about 45,000 bu of hard wheat worked from Kansas City today to this market, probably with the intention of making delivery unless the difference between December and May should narrow. Primary receipts continue to be large, 401,000 bu compared with 231,000 last year. Stocks at Kansas City, Duluth and Minneapolis so far this week show a decrease of 8,000 bu, the movement having been quite heavy compared with the shipments, induced by the high prices; but with the lowering values now this may change.

Corn receipts keep fair --683,000 bu versus 622,000 bu the previous year, but this cereal, as well as oats and rye, declined in sympathy with wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO December 23, 1936.

The last government report when thoroughly analyzed was very nteresting, aside from the fact that it called attention to the unrecedentedly large winter wheat acreage, surpassing all previous ecords. It seems that it also corrected last season's figure on creage, raising it about 2 million acres without increasing the total ields of wheat, therefore, showing that the actual yields per acre ere even smaller than had been anticipated. Furthermore an increased creage of 7 1/2 million acres for winter wheat, with possibly 2 1/2 illion acres more to be sown for spring wheat on account of the high rice, would probably require from 12 million bu upwards more old wheat or seed. A total acreage of winter and spring wheat of 80 million cres could easily take 100 million bu of seed, and with increased conumption for animal feeding and for human food on account of the inreased population and more prosperous times, we may assume that this ear's wheat consumption will be extraordinarily large. The fact that e continue to import Canadian wheat, reduce our visible stocks, and he further general opinion that farmers' holdings are very light, onfirms this view that disappearance this season is much more than ormal.

This year's acreage of 57,187,000 acres compares with other years s follows:

YEARS	NO. OF ACRES.
1935	49,668,000
1934	47,067,000
1933	44,585,000
1932	44,445,000
1931	43,371,000
1930	45,525,000

he yields and totals in these respective years on the acreage planted not harvested) were:

YEAR PLANTED	BUSHELS PER ACRE		TOTAL
1935	10.4	harvested 1936	519,013,000 bu
1934	9.8	" 1935	464,203,000
1933	9.8	" 1934	437,963,000
1932	8.4	" 1933	376,518,000
1931	11.3	" 1932	491,795,000
1930	18.0	" 1931	820,553,000

ubstituting the present planted acreage, but using the actual yields or the years mentioned above, the results would have been --

YEAR	
1936	594,000,000 bu
1935	560,000,000
1934	560,000,000
1933	480,000,000
1932	646,000,000
1931	1,029,000,000

o if we leave out the year 1932, when the crop was an absolute disster and when only 8.4 bu per acre were harvested on the planted creage, we think it is fair to assume that this year's outlook is or at least 560 million bu or more, and in any case much larger than ast year.

Liverpool cables were surprisingly strong, advancing 1/2 to 1 1/2¢ er bu, which calls attention right along to the fact that world suplies of wheat are not abundant and any unforeseen occurrence brings bout quick rallies. We believe the inducement to pay higher prices broad today was caused by Broomhall's increased estimate of importers' equirements for the period from August 1, 1936, to July 31, 1937, from 40 million bu to 568 million bu, or an increase of 28 million bu.

(O V E R)

The trade here in general had assumed right along that the former estimate had been too low on account of the heavy requirements on part of Italy and Germany. This former named country made new purchases overnight, although only in limited quantities.

Importations into this country from Canada continue, and in the week ending December 12th amounted to 837,000 bu, making the total from July 1st up to that date, 21,818,000 bu, or 4 1/2 million bu more than a year ago. Inasmuch as Canadian farmers have only about 38 million bu of wheat left to market between now and the first of August next year, more than one-half that quantity is likely to be needed by the United States, so the larger share of exportations, as well as home consumption, will have to be taken out of stocks previously accumulated at various points. This certainly will make Canada very independent, and Europe will have to rely largely upon Argentina and Australia to fill her needs.

Fortunately, weather is fine again in the Southern Hemisphere; Australian crop estimates have been raised 10 million bu. So one way or another the chances are there will be no absolute scarcity, but it probably will remain a sellers' market, and buyers can never afford to become too independent until the new crop comes on the market.

In the United States we expect to have a strictly domestic situation during the next six months, with supplies diminishing continually, finally leaving us only a very small carryover. Primary receipts today were 392,000 bu; no comparison can be made with last year when there was a holiday, but shipments were larger at 478,000 bu; we expect another decrease in the visible supply on Monday. So far this week stocks at Kansas City decreased 100,000 bu.

At the close the market showed an advance of 1 1/4¢ per bu for the main future --May.

The first deliveries were made today on December contracts --about 45,000 bu, and unless the difference between December and May narrows we think deliveries will be heavy.

The open interest last night had been reduced to 4,345,000 bu, but probably another fair-sized decrease took place today. However, there are only three more business days left in which to clean up the open trades in the pit, while deliveries may be made up to the last day of the year.

Corn receipts continue to be reasonably heavy considering the moderate demand, but prices closed a little higher, largely in sympathy with wheat.

Oats and rye need only the slightest excuse to advance, so the strength in the major cereal was quite a help; all futures gained compared with yesterday's close.

UHLMANN GRAIN CO.

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CHICAGO December 24, 1936.

As a general rule the last session before the Christmas holidays, in fact the whole period before the new year starts, is a quiet one in the grain trade. This year is a great exception for the simple reason that everything is different from a normal year.

As far as wheat is concerned, there was great excitement at Liverpool, futures advancing from 1 5/8 to 4 3/8¢ per bu, the latter on December wheat and it has reached the highest price on this movement, $1.44 7/8. This level is a clear indication of either actual or anticipated scarcity of the world's premier cereal.

Germany was again in the market for Canadian wheat and moderate purchases were consummated.

The new Argentine wheat crop has started to move in earnest, clearances being 3,490,000 bu compared with only 704,000 last year; but Black sea shipments are very light, only 1,344,000 bu; Australia is also coming to the front --2,057,000 bu versus 778,000 bu previous season; but the totals even with moderate shipments from Canada will hardly be sufficient for the normal weekly requirements of close to 11 million bu from now on. There is no opportunity for accumulations under these circumstances and much heavier purchases would be required to bring this about. All this indicates a very strong foreign situation and as far as the farmer is concerned, he can look into the future for the next twelve months with great hopefulness. Even should we raise a large crop next year, moderate, or good, prices are bound to prevail, and in any case it looks as if the results of his work are likely to be remunerative the coming season.

This great improvement in the agricultural situation, which is world-wide, is being felt already in all channels of trade and circulation of Bank of England notes reached the highest level in the history of the institution. This is due to large demands for currency, which in turn signifies that the people have the money to spend and are willing to do so. No doubt our own country is also feeling its prosperity again,and generally speaking it will prove to be a very happy Christmas compared with many other years.

There is,however, one dark spot on the horizon which must be mentioned: namely, the insistent fears that sooner or later war might result on account of the different theories between the fascist, the communist and the democratic governments. They led again to sharp insulting talks between the Italian and Russian Ambassadors at the London conference for non-interference in the Spanish war, which induced new war scares, and might have been responsible for the great strength of wheat abroad.

The domestic situation continues to remain independently strong. Primary receipts were 511,000 bu, but shipments were 453,000. Stocks at Kansas City decreased so far this week 110,000 bu. We look for another good decrease in the visible supply next Monday.

The great strength with which the session opened kept up to practically the close, the final advance for the day being 3 5/8¢ per bushel.

Corn, oats, and rye all sympathised with it, and as of late, rye remained the star performer, gaining more than any of the other cereals, due to the extreme scarcity of same.

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CHICAGO December 26, 1936

As long as the head of every household on the Continent, and also f the United Kingdom, scans his newspaper in the morning at the breakast table for the latest political news, then discusses the prospect f a possible war or prolonged peace, war atmosphere is bound to have ore or less influence on grain prices. Any future war would be more mportant to grain prices than the past one, on account of the more estructive weapons and the greater interference with ocean trade. Even n the great war of 1914, in the latter period about one-tenth of all essels carrying grain were torpedoed and destroyed; so we may easily magine what might happen in the future. There are many yet alive who emember what happened during the period of 1914-18, as far as grain rices are concerned. Before the outbreak of the catastrophe wheat old around 80¢ per bushel. On May 11, 1917, it sold at $3.18 for the ay delivery and July wheat closed at $2.50. The next day July wheat old at $2.75, which was the highest price obtained for that future, nd declined afterwards to as low as $2.11. All kinds of restrictions n trading took place, and maximum and minimum prices were established t various times; the latter ones in order to encourage the largest mount of planting, so as to be helpful to the Allies; and maximum rices were established to prevent too much hardship both at home and broad. Finally trading in the wheat pit was entirely stopped. At he end of the war cash wheat sold about $2.25, showing that every movement, no matter how much justified, finally is overdone.

With both Liverpool and Winnipeg markets closed today we rather anticipated a small trading market; however, the contrary took place. The news, if anything, was rather bearish, but the strong underlying conditions for domestic wheat made themselves felt, and at the close the main future, May, showed an advance of 1 5/8¢ per bushel compared with Thursday, yesterday having been a holiday.

It is true the European tension is still very great and as long as the Nationals of Russia and France on one side, and Italy and Germany on the other, fight each other in Spain, no one can be sure of the ultimate outcome and what complications from this unheard of state of affairs might arise. However, the two rich and powerful nations: England and France, are still determined to stop a war, provided it can be avoided. They are using all the means at their command to bring enough pressure on the opponents to obtain the best results. England and France have gone so far as to promise Germany economic help if she does not persist in her activities in Spain. This ought to be a tremendous temptation to Hitler to join the peaceful nations, particularly as we hardly believe that he is ready for war just now, as Italy is reluctant to join him in such a desperate fight. We think Europe will be inclined to construe these events the same as we do: namely, more peaceful, which is the most important factor; but it seems the people here assumed that this would enable Germany to buy more wheat and therefore started an extensive bull movement, registering new high records for all old-crop futures. As far as Germany is concerned, we feel help or no help she will be able to raise enough exchange to buy wheat for her absolute needs; and in any case will buy no more than absolute necessities at these advanced prices.

Weather was also very favorable, as there were some unexpected light rains in many places and also in the West. The prediction also indicates hopes of more or less precipitation during the week, according to the long-time forecast. The only effect of this was that July wheat did not advance as much as the May, but it was helped along on account of the great strength in the nearby future.

Primary receipts of wheat continue to be large, 637,000 bu for two days compared with 227,000 last year for one day. Stocks at Kansas City, Duluth and Minneapolis for the week show a decrease of only 11,000 bu. Of course, as long as the market remains so strong and continues to go up, every bushel available will be sold by the farmer, and any heavier movement now will be at the expense of lighter receipts later on.

The corn movement is still very large considering the size of the crop, being 3,833,000 bu this week compared with 3,456,000 bu the same week last year. Nevertheless the market was higher but largely in sympathy with wheat. Oats and rye also benefited from the great strength in that cereal.

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December 28, 1936

It is difficult to estimate how much of a factor the war scare at the present time has contributed to the advance in wheat prices. It certainly prevented much short selling even by those who might ossibly think the movement has been overdone for the present. Yet erybody is aware that war is by no means a surety, and the peace achinery of the world has not yet completely collapsed. England and rance still are the strong powers, with Italy inclining to go with hem; but on the other hand a civil war is continuing in Spain, with he great powers being interested on different sides. A new German ecree was reported restricting the crossing of the frontier by persons ithin military conscription age limits and Germans subject to mili-ary obligations find difficulty in obtaining a passport. This necess-arily causes at least apprehension as to the future. But before the reat war during a period of over forty years there were about a hun-red war scares before the conflagration finally started; so the odds are still in favor of nothing happening immediately, particularly as it is very seldom that wars are started during the winter months.

Liverpool cables were again quite strong, their futures advanc-ing from 2 5/8 to 4 3/8¢ per bu, but in all probability this is due ore to continued buying by Italy and more or less rainy weather both in the Argentine and Australia, which interferes with the harvest. owever, the crop prospects continue to be as favorable as recently expected and no deterioration has taken place.

World shipments were 10,546,000 bu compared with only 4,911,000 u last year and the total importations of all countries are about 23 illion bu more than last season. With this as a start we think that he world's requirements will be fully as large as Broomhall has es-timated and possibly more.

The visible supply showed again a larger decrease than last year, ,198,000 bu compared with 613,000 bu in 1935, and with this reduction t now amounts to 58,446,000 bu versus 71,894,000 bu at the end of ecember, 1935. We still assume that stocks on next July 1st will be ex-remely small, but should a large crop be in sight by that time, the ovement in July could be in such amounts that the holes would soon e filled up. We are more optimistic regarding the new crop outlook, artly on account of the largely increased acreage, and also because here was some precipitation lately, and our weather forecaster thinks he prospects are extremely favorable for more moisture tonight.

Trade was chiefly interested today in evening-up December con-racts, as it was the last day this could be done in the Pit, although here will be time for delivery yet during the last three days for hose who have the actual wheat in position. At the close December heat had a sharp break, indicating that after all the premiums were oo high for the consumer to stock up with. May also closed lower, he decline compared with Saturday being 1 1/4¢ per bu.

Primary receipts of corn are keeping up pretty well, 729,000 u against 464,000 bu last year, and the high price must have been a reat inducement to the farmer to sell his holdings, so that stocks t terminal points increased 1,501,000 bu, and are now 12,093,000 bu, r 4,391,000 bu more than last year, when the crop was much smaller. owever, corn and oats, as well as rye, declined, somewhat affected y the decline in wheat.

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December 29, 1936

Trading in December wheat ended yesterday with the close of the session, and the question of making enough wheat available for delivery without forcing the price up too much was quite a problem during the month. Even after a decline of 6¢ per bu from the high point reached yesterday, the gain during the month was about 17¢ per bu. Stocks in the meantime in this city had decreased, showing very clearly there are no abundant supplies in the country, which otherwise would have attracted large shipments to this city.

A great deal happened during this month of almost steadily adancing prices, and May wheat also had followed suit, closing about 8¢ per bu higher than on the last of November. The chief features ere the great strength in Europe when Italy particularly, but also ermany, became buyers of wheat in all exporting countries; and the competition among those who were compelled to replenish their stocks became very keen. A further stimulating factor was the war in Spain with great fears that political complications might arise at any moment. These, however, were only added circumstances, as back of it All was the conviction, which was gaining ground more and more daily, that world supplies would not be overabundant and that sellers could afford to be more independent than buyers. During the early part of the month there was also great apprehension regarding the new crop prospects in the winter wheat belt, as precipitation had been rather scarce until the last few weeks, but much more moisture is needed right along to reassure the trade.

Now that December wheat is out of the way, and having expired at about a 2¢ premium over May, it shows very clearly the confidence of holders. Those who own cash wheat are perfectly willing to pay storage, insurance and interest charges, believing they will be able to sell choice wheat at good premiums as the season advances.

We believe that the political situation is improving, but one would have to be a great optimist to think that conditions will be as tranquil as they seemed a year prior to the World War. Of late all naval treaties either have been cancelled or are not being renewed, and there are no signs of any of the nations stopping their increasing of armaments. Temporarily, however, with winter weather in sight, probably foreign politics will be a smaller item to consider, as far as wheat prices are concerned. In fact, we believe that the price will be influenced domestically mostly by the very small receipts which we anticipate for almost six months, continued decrease in the visible supply stocks and a steady removal of hedges, which in itself will frequently give us a very firm undertone. Also the new crop outlook will have a very important bearing on the price level. The very large wheat acreage planted almost assures us of an abundant crop unless weather conditions should be extremely unfavorable. Therefore, there will be a limit to the advance unless an absolute scarcity should exist. This, however, we do not anticipate on the assumption that the price will finally bring out every available bushel, provided the farmer is assured of a good crop later on.

Primary receipts were very light today, only 196,000 bu compared with 401,000 bu a week ago and 168,000 bu a year ago. It is possible that the holiday had something to do with this decreased movement, but we are inclined to believe that the 18¢ advance during the month brought out lots of farmers' wheat at the expense of much smaller deliveries in the future.

Foreign markets keep very strong, Liverpool futures closing from a decline of 1/8¢ to an advance of 1 1/8¢. There is some apprehension about the Argentine crop. Heavy rains have fallen of late, which are interfering with the harvest and also possibly lowering the quality.

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This is very important as the amount of wheat which is available from Canada is limited. The visible supply stocks in that country are now reduced to 108 million bu compared with 265 million last year, or 157 million bu less. It is figured that, as of December 19, there were left for export and carryover about 142 million bu, which would permit shipments of 3 to 3 1/2 million bu a week until August 1, provided the carryover would be reduced to a minimum; but considering that the United States has been taking lately almost a million bu of wheat weekly, this would leave very small supplies for the European countries.

At the close our market showed a decline of 5/8¢ per bushel.

Corn was comparatively strong, while oats barely held their own. Primary receipts of oats were only 75,000 bu at all terminal markets; shipments were much larger, and we look for a steady decrease in stocks and finally much higher prices.

Rye sympathized with wheat and closed lower.

UHLMANN GRAIN CO.

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CHICAGO December 30, 1936.

Inasmuch as excessive accumulations of gold in any country might lead to undesirable inflation, the treasury of the United States government has started a new policy by sterilizing $14,835,000 of imported gold. Economists generally consider this a wise move because otherwise nobody could tell how fast the present recovery would gradually develop into a boom.

In America, by a rise of about 69 per cent in the gold price, mining of that ore has become very profitable, and the gold output in this country alone for the year 1936 is estimated at $158,000,000, or equivalent to the total production in the years 1927, 1928, and 1929 combined. However, the incentive for gold mining exists all over the world, and what the final outcome will be is difficult to predict. Of course if finally everything would rise the same as gold did, about 70 per cent, then it would not be as profitable for as many mines to produce gold and the matter would adjust itself.

There is also to be considered a similar situation in silver, although that metal has not yet been sterilized. This is still inflationary, although to a much smaller extent. However, silver production this year in the United States has a value of about $48 million compared to $28 million last year, and this country is still importing additional large amounts.

Asother countries are not taking the same step as we in sterilizing gold, we still think it will be a stimulating factor for prices everywhere.

Liverpool wheat market was very weak, and excluding the December future which is expiring, the decline in the others was from 2 1/8 to 2 3/8¢ per bu. Traders abroad might have been influenced by the clearing weather in the Argentine; and prospects for the next few days are favorable. However, some damage has been done already, if not to the quantity, at least to the quality, as rains have been very heavy in some places amounting to as much as four inches.

We believe that from now on our wheat market can stand on its own feet, and that the domestic situation will be a dominating factor. Receipts continue to be very light --primaries being 304,000 bu versus 392,000 bu a week ago; but no comparison can be made with last year when there was a holiday. It has been our experience that whenever primary receipts average daily less than 500,000 bu after January 1st, the visible supply has to be drawn upon very largely. Considering that the Northwestern crop was so very poor, no movement of any size is expected from there; and the farmers in the Southwest, on account of the high prices, were tempted to sell a larger proportion of their crop than usual; therefore, we would not be surprised to see primary receipts decline to about 250,000 to 300,000 bu daily. This, of course, exclusive of shipments which might come from the Pacific coast, and shipments from one terminal market to another.

The undertone during most of the session was reasonably firm, the close showing an advance of 7/8¢ per bu for the main future, May.

There were very good rains lately in the central wheat states, and the Kansas Weekly Weather and Crop Bureau also claims that wheat showed improvement in almost every section, and is generally reported in good condition to go into the winter, although the subsoil is dry in most localities. Therefore, we assume that much more precipitation is needed for the best results.

Since yesterday we have been trading in September wheat, which is selling at a discount of about 2 3/4¢ under July. Spreaders are more or less at sea as to whether this discount for September wheat is justified or not. We all know that supplies of old wheat on July 1st will be extremely small, and any deliveries during that month could only be made from arrivals of the new crop. Therefore, much

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will depend upon whether we shall have an early crop or not, and also upon the size of it, as many holes will have to be filled.

In this connection, however, it is interesting to note that the last Government report on acreages estimates Illinois and Indiana together will have about one million acres more under cultivation than a year ago. We mention these two states as they are more tributary to Chicago than any others. Under ordinary circumstances they should produce about 15 million bu on the increased acreage alone. Such a quantity would make it possible for Chicago elevators to fill their needs very rapidly; always, of course, assuming that we shall have normal yields and such weather in July as to permit bringing the wheat to market. The latter, however, is highly probable, as July is one of the driest months during the year, although exceptions do exist.

In analyzing this situation we feel there is a great possibility that the high price might attract tremendous quantities from nearby states to Chicago during the middle of July, in which case the present premium would not be justified; and we can even see a possibility of July wheat selling at a discount under September later on.

Corn receipts are dropping off since cash prices have declined and futures are in good demand, closing considerably higher.

Oats receipts were only 59,000 bu at all primary markets, with shipments amounting to 305,000. We feel that this cereal is worth more money and will finally sell higher.

Rye also closed higher in sympathy with the other grains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

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CHICAGO December 31, 1936.

With the old year ending and looking into the next, we think we ay be reasonably hopeful. The agricultural situation, which is the oundation of most all prosperity, is virtually booming after many ears of depression. This does not refer to the United States alone, ut to practically every country and ought to influence commerce and nternational trade very favorably. It is true there exists at the resent time a war psychosis, but the question is: "Is it fully ustified?" There are war scares almost at all times because there s bound to be friction at frequent intervals between the many nations, ut it does not necessarily lead to war. Fears are all the greater ow because the Great War was so terribly disastrous. But when we ook further back into history we find that many nations in Europe have ad no conflict with their neighbors for over one hundred years, such s Sweden, Norway, Holland, Switzerland, etc. Even England had no uropean war from 1857 to 1914, or over fifty-seven years. The chief uropean wars were fought by Germany in 1864, 1866, and 1870, aside rom the one in 1914, but Germany is reconciled now to having lost the rovinces in Alsace Lorraine, which always were the great controversial oints. With France now so well fortified, it is not likely that nother western drive will be attempted. Assuming, therefore, that 937 will be a peaceful year in Europe new capital savings will be reated again everywhere, economic situations will be improved, and fter all, most wars were fought for commercial advantages when dire ecessities impelled the rulers or diplomats to start a fight.

The Liverpool market, which reflects world conditions more than any other, brought great cheer again to the bulls here at the year-end, and their futures advanced 2 1/8 to 2 5/8¢ per bu. Since we already know about the strong domestic situation, further help from abroad easily leads to higher quotations here. This brought about great advances early in the session, but they were not maintained, as liquidation took place, the close being 1/4¢ per bu lower for the May future.

Shipments from the Southern Hemisphere are increasing now, but this movement is quite natural, was expected, and in fact, is absolutely necessary to fill European needs, because from no other place are supplies available to a large extent. Australian shipments this week are 1,839,000 bu compared with 1,620,000 bu a year ago. Black sea shipments were 944,000 bu, and there were none in 1935. Argentina is coming forward with clearances of 4,225,000 bu versus 803,000 bu last season, when there was almost a total crop failure.

There are some fears that the quality of Argentine wheat has been lowered on account of excessive rains, but estimates as far as the quantity is concerned, are being maintained. The United States continues to import, and duty was paid last week on 643,000 bu from Canada. With this relief for Canadian stocks, which are not any too plentiful, the North American situation for wheat remains extremely sound.

The milling demand at the present time is rather poor, but this is also entirely seasonal, as naturally mills are tempted to reduce their inventories at the end of the year; but we look for a much increased demand for wheat and flour after the holidays are over. Supplies by that time will probably not be overabundant.

Primary receipts of wheat remain small, 260,000 bu compared with 491,000 bu last year for two days; we look for another decrease in the visible supply on Monday. It may be doubtful, however, whether it will be as large as last year, when it amounted to 1,587,000 bu.

Speaking in a general way, we think the dominant features for the next six months will be extremely small receipts, decreasing visible supplies, and a carryover next July, which might be only a trifle more than the amount we consider absolutely necessary for safety. Later on the price level will be largely influenced by the new crop prospects. At the present time we think the outlook is for

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a very much larger crop than in 1935, but extremely favorable weather, or the opposite, might so change the picture that it would be mere guess just now to mention any figures, except that the very large acreage points to more than an average crop, unless there should be an absolute calamity.

We think wheat was largely helped today by the strength in corn, which in turn was caused by the very light receipts. With practically all cereals underproduced this season, there are often periods of intermittent regularity when corn, oats, rye, or wheat assumes leadership, and when this occurs it affects the entire grain list somewhat sympathetically.

Oats receipts were very light again, and for the first four days of this week were only 380,000 bu, with shipments of 880,000 bu, indicating a big decrease in the visible supply again on Monday.

Rye closed lower.

UHLMANN GRAIN CO.